



THE FISCAL SURVEY OF STATES

SPRING 2019

AN UPDATE OF STATE FISCAL CONDITIONS

A REPORT BY THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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TABLE OF CONTENTS

PREFACE	vi
EXECUTIVE SUMMARY	vii
CHAPTER 1: STATE EXPENDITURE DEVELOPMENTS	1
Overview	1
State General Fund Spending	1
State Spending from All Sources	2
<i>Table 1: State Nominal and Real Annual Spending Increases, Fiscal 1979 to Fiscal 2020</i>	3
<i>Figure 1: Annual Percentage Spending Changes, Fiscal 1979 to Fiscal 2020</i>	4
<i>Table 2: State General Fund Expenditure Growth, Fiscal 2018 to Fiscal 2020</i>	4
<i>Table 3: Fiscal 2018 State General Fund, Actual</i>	5
<i>Table 4: Fiscal 2019 State General Fund, Estimated</i>	6
<i>Table 5: Fiscal 2020 State General Fund, Recommended</i>	7
<i>Table 6: General Fund Nominal Percentage Expenditure Changes, Fiscal 2018 to Fiscal 2020</i>	8
Recommended Appropriation Changes for Fiscal 2020	9
Mid-Year Budget Actions for Fiscal 2019	9
Budget Gaps	9
Biennial Budgets: Spending in Fiscal 2020	10
<i>Table 7: States with Net Mid-Year Budget Cuts in Fiscal 2019</i>	11
<i>Figure 2: Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2019</i>	11
<i>Table 8: Fiscal 2019 Mid-Year Program Area Adjustments by Dollar Value</i>	12
<i>Table 9: Fiscal 2020 Recommended Program Area Appropriation Changes by Dollar Value</i>	13
<i>Table 10: Strategies Used to Manage Budget, Mid-Year Fiscal 2019</i>	14
<i>Table 11: Strategies Used to Manage Budget, Recommended Fiscal 2020</i>	16
Chapter 1 Notes	18
CHAPTER 2: STATE REVENUE DEVELOPMENTS	35
Overview	35
General Fund Revenue Trends	35
Comparing General Fund Collections to Budget Projections	36
General Fund Collection Growth by Revenue Type	36
<i>Table 12: State Nominal and Real Annual Revenue Increases, Fiscal 1979 to Fiscal 2020</i>	38
<i>Table 13: State General Fund Revenue Growth, Fiscal 2018 to Fiscal 2020</i>	39
<i>Table 14: General Fund Nominal Percentage Revenue Changes, Fiscal 2018 to Fiscal 2020</i>	40
<i>Table 15: General Fund Revenue Collections Compared to Projections, Fiscal 2019 and Fiscal 2020</i>	41
<i>Table 16: Fiscal 2019 General Fund Revenue Collections Compared with Projections Used to Adopt Fiscal 2019 Budgets</i>	42
<i>Table 17: Fiscal 2019 General Fund Revenue Collections Compared with Budget Projections (Percentage Above or Below)</i>	44
<i>Table 18: Comparison of General Fund Revenue Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020</i>	45
<i>Table 19: Percentage Change in General Fund Revenue Collections, Fiscal 2019 and Recommended Fiscal 2020</i>	47
Recommended Fiscal 2020 Revenue Changes	49
Mid-Year Revenue Changes in Fiscal 2019	50
<i>Table 20: Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2019 and Recommended Fiscal 2020</i>	51
<i>Figure 3: Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2019 and Recommended Fiscal 2020</i>	52
<i>Table 21: Recommended Fiscal 2020 Revenue Actions by Type of Revenue and Net Increase or Decrease</i>	53
<i>Table 22: Recommended Fiscal 2020 Revenue Actions – General Fund Impact</i>	54
<i>Table 23: Enacted Mid-Year Fiscal 2019 Revenue Actions by Type of Revenue and Net Increase or Decrease</i>	55
Chapter 2 Notes	56



CHAPTER 3: TOTAL BALANCES	59
Overview	59
Total Balances	59
Rainy Day Funds	59
<i>Table 24: Total Balances, Fiscal 1979 to Fiscal 2020</i>	61
<i>Table 25: Total Rainy Day Fund Balances, Fiscal 1988 to Fiscal 2020</i>	62
<i>Figure 4: Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2020</i>	63
<i>Figure 5: Total Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2020</i>	63
<i>Table 26: Total Balances as a Percentage of Expenditures, Fiscal 2018 to Fiscal 2020</i>	64
<i>Table 27: Total Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2018 to Fiscal 2020</i>	64
<i>Table 28: Total Balances and Total Balances as a Percentage of Expenditures, Fiscal 2018 to Fiscal 2020</i>	65
<i>Table 29: Rainy Day Fund Balances and Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2018 to Fiscal 2020</i>	66
<i>Table 30: State Rainy Day Fund Names</i>	67
Chapter 3 Notes	68
CHAPTER 4: MEDICAID OUTLOOK	69
Medicaid Spending Trends	69
Medicaid Expansion Expenditures	69
Medicaid Enrollment	70
Medicaid Programmatic Changes: Program Enhancement and Cost Containment	70
Consensus Forecasting Processes in Medicaid	71
<i>Table 31: Medicaid Expenditures by Fund Source</i>	72
<i>Table 32: Annual Percentage Change in Medicaid Spending</i>	73
<i>Table 33: Medicaid Expansion Expenditures, Fiscal 2018 to Fiscal 2020</i>	74
<i>Table 34: Programmatic Changes in Medicaid, Fiscal 2019</i>	75
<i>Table 35: Programmatic Changes in Medicaid, Recommended Fiscal 2020</i>	77
<i>Table 36: Provider Tax Increases for Medicaid Program, Fiscal 2019 and Recommended Fiscal 2020</i>	79
<i>Table 37: States with a Medicaid Consensus Forecasting Process</i>	80
Chapter 4 Notes	81
CHAPTER 5: OTHER STATE BUDGETING CHANGES	91
Recommended Changes in Aid to Local Governments, Fiscal 2020	91
Local Government Fiscal Conditions	92
Changes in Budgeting and Financial Management Practices	92
<i>Table 38: Recommended Changes in Aid to Local Governments, Fiscal 2020</i>	93
<i>Table 39: Enacted Changes to Budget and Financial Management Practices, Fiscal 2019</i>	102
<i>Table 40: Recommended Changes to Budget and Financial Management Practices, Fiscal 2020</i>	103
APPENDIX TABLES	105
<i>Table A-1: Recommended Revenue Actions by Type of Revenue, Fiscal 2020</i>	105
<i>Table A-2: Recommended Revenue Measures, Fiscal 2020</i>	112
<i>Table A-3: Enacted Mid-Year Revenue Actions by Type of Revenue, Fiscal 2019</i>	114
<i>Table A-4: Enacted Mid-Year Revenue Measures, Fiscal 2019</i>	115
<i>Table A-5: Fiscal 2021 State General Fund, Recommended</i>	116
<i>Table A-6: Fiscal 2021 Recommended Program Area Appropriation Changes by Dollar Value</i>	117
<i>Table A-7: Strategies Used to Manage Budget, Recommended Fiscal 2021</i>	118
<i>Table A-8: Recommended Revenue Actions by Type of Revenue, Fiscal 2021</i>	120
<i>Table A-9: Recommended Revenue Measures, Fiscal 2021</i>	122
Appendix Notes	123



PREFACE

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

Thirty states operate on an annual budget cycle, while 20 states operate on a biennial (two-year) budget cycle. Among the biennial budget states, governors in 17 states recommended fiscal 2020–2021 budgets. The other three biennial budget states (Kentucky, Virginia and Wyoming) passed a two-year budget for fiscal 2019 and fiscal 2020 during 2018 legislative

sessions, though a couple of these states proposed and acted upon supplemental appropriations and other mid-biennium budget changes in 2019.

Forty-six states begin their fiscal years in July and end them in June. The exceptions are New York, which starts its fiscal year on April 1; Texas, with a September 1 start date; and Alabama and Michigan, which start their fiscal years on October 1.

The field survey on which this report is based was conducted by NASBO from March through May 2019. The surveys were completed by executive state budget officers in all 50 states. Subsequent budget recommendations from governors to state legislatures may have occurred after the survey responses were submitted. Fiscal 2018 data represent actual figures, fiscal 2019 figures are estimated, and fiscal 2020 data reflect recommended budgets.

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



EXECUTIVE SUMMARY

Recent growth in state revenues enabled governors to propose fiscal 2020 budgets providing for a moderate general fund spending increase of 3.7 percent. With continued favorable revenue conditions, governors' spending proposals for fiscal 2020 direct \$30.8 billion in new money for key priorities, including K–12 education, higher education, Medicaid and other core government services.

Most states headed into fiscal 2019 with budget surpluses from the prior fiscal year, resulting from robust general fund revenue growth of 7.0 percent in fiscal 2018 predominantly from a large uptick in personal income tax collections. With strong beginning balances, coupled with revenues exceeding projections in most states for the current fiscal year, no states reported having to make mid-year budget cuts in fiscal 2019 due to a revenue shortfall, a notable event. In this fiscal environment, states estimate that general fund spending in fiscal 2019 rose 5.8 percent over fiscal 2018 levels, the fastest rate of year-over-year spending growth since fiscal 2007.

Looking ahead to fiscal 2020, general fund revenues are expected to grow moderately at a rate of 4.0 percent, with a somewhat lower median growth rate of 3.1 percent. Revenue forecasts for fiscal 2020 incorporate governors' proposed tax and fee actions. Governors recommended a series of revenue changes consisting mostly of tax increases along with some modest decreases, with a net revenue impact of \$8.1 billion in fiscal 2020, including \$3.9 billion in additional general fund revenue. Much of the proposed new revenue would go to dedicated fund sources, such as state transportation funds.

Improved revenue conditions recently have helped many states continue to bolster their ending balances and savings accounts, or rainy day funds. Total balances reached a new all-time high in both nominal dollars and as a share of general fund spending in fiscal 2018, and rainy day fund balances are on track to continue climbing to new record levels. Governors' recommended budgets predict that total rainy day fund balances will reach \$74.7 billion at the end of fiscal 2020, with a median balance of 7.5 percent as a share of general fund spending.

While fiscal conditions are solid and stable overall, budget situations continue to vary by state. Half of the states reported estimated general fund spending amounts for fiscal 2019 that are lower than they were more than a decade ago in fiscal 2008, after adjusting for inflation — including nine states with spending levels more than 10 percent below their pre-recession peak levels. At the same time, seven states have inflation-ad-

Key Report Findings:

- Governors' budgets for fiscal 2020 call for general fund spending growth of **3.7 percent**, with **47 states** proposing spending increases.
- Governors' proposed appropriation increases total **\$30.8 billion**, including **\$14.1 billion** in new money for K–12 education and **\$3.6 billion** for higher education.
- States estimate general fund spending grew **5.8 percent** in fiscal 2019, the fastest annual growth rate since fiscal 2007.
- **No states** made mid-year budget reductions in fiscal 2019 due to a revenue shortfall, and only **3 states** made small mid-year cuts for other reasons.
- **28 states** reported fiscal 2019 general fund revenue collections coming in ahead of projections, with this number expected to grow after accounting for April receipts.
- Governors' budgets are based on forecasted general fund revenue growth of **4.0 percent** in fiscal 2020.
- Governors proposed a series of revenue actions consisting mostly of tax increases, including a number of proposals directed towards transportation, with a net revenue impact of **\$8.1 billion** in fiscal 2020.
- The median rainy day fund balance as a share of general fund spending reached **7.5 percent** in fiscal 2019, a new all-time high.
- Medicaid spending from all funds is expected to grow **4.0 percent** in fiscal 2020, with state funds increasing **3.1 percent** and federal funds growing **4.5 percent**.

justed general fund expenditures more than 10 percent above their fiscal 2008 levels. This variation is due to a combination of factors, including demographic trends, regional disparities in economic performance, significant fluctuations in oil and gas prices for energy-rich states, and fiscal policy decisions. Despite these variations, all states to some extent are facing long-term spending pressures in areas ranging from fixed costs such as health care and pension contributions to adequately funding education and infrastructure. As evidenced by governors' budgets for fiscal 2020, states are expected to use new resources available for both ongoing and one-time investments, while also continuing their focus on bolstering their reserves to prepare for the next economic downturn.

State Spending

General Fund Spending in Fiscal 2020 Recommended Budgets. State general fund spending is forecasted to grow a moderate 3.7 percent in fiscal 2020 according to governors' recommended budgets, totaling \$915.9 billion. Overall, 47 states are forecasting nominal spending increases in fiscal 2020, with 19 of those states recommending increases greater than five percent.

Estimated Spending Data for Fiscal 2019. General fund spending increased by a robust 5.8 percent in fiscal 2019 to total \$883.0 billion, above the originally enacted level reported in NASBO's *Fall 2018 Fiscal Survey of States*. The strong expenditure growth observed in the states in fiscal 2019 can be attributed to rapid general fund revenue growth in fiscal 2018 that led to large surpluses in many states as well as rising revenue estimates in a number of states for the current fiscal year. Estimated general fund spending in fiscal 2019 surpasses the pre-recession peak level in fiscal 2008 in real terms.¹ However, on a state-by-state basis, only half of the states spent more from their general funds in fiscal 2019 than they did in fiscal 2008, after adjusting for inflation.

Mid-Year and Recommended Budget Actions

Examining mid-year budget actions, recommended appropriation changes and budget gaps can help illustrate current state fiscal conditions, program area spending trends, and gubernatorial priorities.

Fiscal 2019 Mid-Year Budget Actions. Improved revenue conditions in states in fiscal 2018 and fiscal 2019 led to extremely minimal mid-year budget reductions in fiscal 2019. In fact, no states reported making net mid-year budget cuts in fiscal 2019 due to a revenue shortfall, a notable result. Three states did report making mid-year budget reductions not attributable to a shortfall, but instead due to caseload reductions, increased resources from another funding source, or other reasons. Overall, 21 states increased their fiscal 2019 budgets in the mid-year, resulting in a net increase of \$5.5 billion across all program areas, compared to originally enacted budgets. At the time of data collection, mid-year budget actions were still ongoing and therefore subject to change. NASBO's *Fall 2019*

Fiscal Survey of States will provide a final assessment of mid-year spending actions in the states for fiscal 2019.

Fiscal 2020 Recommended Appropriation Changes. Governors' recommended appropriation changes for fiscal 2020 also reflect the strong, stable fiscal environment in the states and the significant portion of "new money" available to spend on key gubernatorial priorities. For fiscal 2020, governors recommended appropriation increases across all program areas totaling \$30.8 billion (compared to enacted fiscal 2019 appropriation levels). Elementary and secondary education stood out as by far the largest recipient of new money in fiscal 2020, receiving \$14.1 billion in proposed appropriation increases, followed by the "all other" category, which under governors' proposals would receive appropriation increases totaling \$7.4 billion, and higher education, which would receive \$3.6 billion in new money. Overall, when compared to enacted budget levels for fiscal 2019, just one state reported a net decrease in proposed spending from general fund appropriations in fiscal 2020, while 45 states reported increases and four states reported no net change.

Budget Gaps and Management Strategies. Reported state budget gaps in this survey serve as another indication of the stable fiscal environment this year. Only eight states reported closing budget gaps totaling \$5.4 billion in fiscal 2019, with four states still having to close \$1.4 billion in gaps. For fiscal 2020, 10 states forecasted budget gaps totaling \$10.7 billion before implementing the governors' recommendations. States employ a number of strategies to close budget gaps and manage their budgets. In governors' recommended budgets for fiscal 2020, 14 governors proposed targeted spending cuts, 14 governors used transfers from other funds, 11 governors' proposals eliminated vacant positions or imposed hiring freezes, seven governors proposed adjustments to their pension and/or OPEB systems or contributions, and seven governors' budgets tapped their prior-year fund balance, for example.

State Revenues

Fiscal 2020 Revenue Forecasts. Governors' recommended budgets for fiscal 2020 are based on revenue projections expected to total \$912.5 billion, a 4.0 percent increase compared to fiscal 2019 estimated revenues of \$877.8 billion. The median

¹ Adjusted for inflation, the aggregate general fund spending amount in fiscal 2008 was \$862.6 billion, 2.4 percent below the \$883.0 billion estimated figure for fiscal 2019 reported in this survey. The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.



forecasted increase is somewhat lower, at 3.1 percent. Broken down by tax type, general fund collections from sales taxes are forecasted to grow 4.8 percent, personal income taxes by 4.2 percent, corporate income taxes by 4.0 percent, gaming and lottery revenues by 1.9 percent, and all other revenues by 1.2 percent in fiscal 2020. A majority of states (34) predict revenue growth between 0 and 5 percent, while 11 states forecast growth greater than 5 percent and five states predict revenue declines in fiscal 2020.

Revenue Collections for Fiscal 2019. After states saw robust revenue growth in fiscal 2018 of 7.0 percent overall (the highest growth rate observed since fiscal 2013), most states followed with more moderate growth in general fund collections in fiscal 2019. Total general fund revenues are estimated to have increased 2.7 percent in fiscal 2019 compared to fiscal 2018, with a median growth rate of 3.3 percent. Thirty-one states estimate general fund revenue growth between 0 and 5 percent, with 11 states estimating growth rates greater than 5 percent and eight states estimating revenue declines. Compared to original budget projections, 28 states reported general fund revenues were exceeding their targets for fiscal 2019, while 10 states were seeing revenues on target and 12 states reported coming in below projections. Twenty-nine states reported revenues coming in on target compared to states' most recent revenue forecasts. The data collected pre-date April tax collections, when many states saw a substantial uptick in income tax collections, so it is possible that estimated revenue growth in fiscal 2019 is understated in this survey. NASBO's *Fall 2019 Fiscal Survey* will provide an update after the closeout of fiscal 2019.

Recommended Revenue Actions

Governors recommended a variety of tax and fee increases, along with a smaller number of decreases, resulting in a projected net positive revenue impact in fiscal 2020 of \$8.1 billion, including \$3.9 billion in additional general fund revenues. Overall, 21 governors proposed net tax and fee increases totaling \$8.9 billion in fiscal 2020, while 11 governors recommended mostly modest net decreases totaling -\$0.7 billion. Governors in nine states proposed net revenue increases of more than \$500 million. Some of the more significant tax changes included personal and corporate income tax conformity changes in California, Minnesota, and Virginia; expanding the sales tax

base and increasing health provider taxes in Connecticut; a new millionaire's tax on high-income earners in New Jersey; extension of higher personal income tax rates in New York; motor fuel tax hikes in Alabama, Arkansas, Michigan, Ohio and Wisconsin; a business and occupations tax in Washington; and miscellaneous tax changes in Illinois.

State Balances

One particularly promising trend in state finances in recent years has been the strengthening of states' reserves. Improved revenue conditions recently have helped many states continue to bolster their ending balances and savings accounts, known as rainy day funds.

Rainy Day Funds. Rainy day fund balances are a crucial tool that states rely on during fiscal downturns and to address shortfalls. States have made building up their reserves a priority in the years since the Great Recession. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending has grown from 1.6 percent to an estimated 7.5 percent in fiscal 2019. Rainy day fund balances are estimated to total \$68.2 billion in fiscal 2019, excluding three states unable to report estimated or future balance levels. Governors' recommended budgets predict that total rainy day fund balances will continue to rise, reaching \$74.7 billion at the end of fiscal 2020. Thirty-seven states estimate increases in their rainy day fund balances in fiscal 2019, and 32 states are projecting increases in fiscal 2020.

Total Balances. Total balances include ending balances and the amounts in states' rainy day or budget stabilization funds. Total balances reflect the surplus funds and reserves that states may use for liquidity to respond to unforeseen circumstances and to help resolve revenue shortfalls, though in some states, part of the ending balance may already be reserved for expenditure in a subsequent year. Total balances reached a new all-time high in both nominal dollars and as a share of general fund spending in fiscal 2018, totaling \$98.9 billion — or 11.9 percent of general fund spending. Total balances are estimated to have remained flat overall in fiscal 2019, at \$98.7 billion (11.5 percent of general fund spending), and are projected to decline slightly to \$93.8 billion (10.5 percent of general fund spending) in fiscal 2020, based on governors' budgets.

Medicaid Outlook

Spending Trends. Medicaid spending from all fund sources is estimated to grow 5.3 percent in fiscal 2019 compared to fiscal 2018 levels. Looking just at spending from state fund sources, the growth rate is a moderate 3.6 percent (3.6 percent general fund growth and 3.7 percent growth in other state funds). Medicaid spending from federal funds is estimated to grow 6.3 percent in fiscal 2019. Looking ahead, Medicaid spending growth is forecasted to slow slightly in fiscal 2020, based on governors' budgets. The growth rate for total Medicaid spending is projected at 4.0 percent for the upcoming fiscal year. State fund spending is projected to grow by 3.1 percent (3.7 percent general fund growth and 1.8 percent other state fund growth), while federal fund spending is expected to increase 4.5 percent.

Medicaid Expansion. States that expanded Medicaid also reported on their expenditures for the new adult eligibility group (including both "newly eligible" and "not newly eligible") by fund

source. States began paying 5 percent of the costs for newly eligible adults in calendar year 2017, with the state share gradually set to increase to 10 percent by 2020. As states have begun to pick up a larger share of the cost, Medicaid expansion spending from state funds is estimated to increase by \$927 million in fiscal 2019, and is projected to grow by another \$2.9 billion in fiscal 2020. The upcoming fiscal year also represents the first year of implementation in several states that recently adopted Medicaid expansion.

Programmatic Changes. States also reported on changes to their Medicaid programs implemented in fiscal 2019 and recommended in fiscal 2020. With fiscal conditions fairly stable in most states, a number of states reported increasing provider payments, expanding Medicaid benefits and increasing access to behavioral health, while fewer states reported restricting payments or benefits. At the same time, cost containment and service delivery reform efforts continue, with states passing or considering policies to cut drug costs, enhance program integrity, and expand managed care.

This edition of the Fiscal Survey of States reflects actual fiscal 2018, estimated fiscal 2019, and recommended fiscal 2020 figures (except where otherwise noted). The data were collected in the spring of 2019.



STATE EXPENDITURE DEVELOPMENTS

CHAPTER ONE

Overview

State general fund spending is expected to grow to \$915.9 billion in fiscal 2020 across all 50 states, according to governors' recommended budgets, an increase of 3.7 percent compared to estimated spending levels for fiscal 2019. Overall, governors in 47 states proposed budgets recommending general fund spending increases in fiscal 2020, with 19 of those states calling for increases greater than 5.0 percent. For a second consecutive year, most states find themselves in a position to spend significant new resources on key ongoing priorities and one-time investments thanks to strong revenue growth. Governors recommended considerable increases for K–12 and higher education in particular for fiscal 2020, as well as more money for a wide range of other programs.

General fund spending increased by an estimated 5.8 percent in fiscal 2019, a robust growth rate and the largest annual increase observed in *The Fiscal Survey of States* in over a decade. (See Table 1, Figure 1) Most states ended fiscal 2018 with budget surpluses and strong general fund ending balances, which along with continued revenue growth in fiscal 2019 helped states bolster their spending levels and make extra deposits into reserves (which are sometimes counted as expenditures or a use of appropriations). Fiscal 2019 spending is estimated to total \$883.0 billion, exceeding the pre-recession peak level of general fund spending in fiscal 2008 by 2.4 percent after adjusting for inflation.² Growth since the Great Recession has been uneven across the states, however. In fiscal 2019, 25 states still spent less from their general funds than they did in fiscal 2008 in inflation-adjusted terms, with nine of those states spending 10 percent or more below their pre-recession levels, including a number of energy-dependent states. Meanwhile, seven states, mostly in the West, estimate general fund spending levels in fiscal 2019 exceeding their fiscal 2008 inflation-adjusted levels by more than 10 percent.

² Adjusted for inflation, the aggregate general fund spending amount in fiscal 2008 was \$862.6 billion, 2.4 percent below the \$883.0 billion estimated figure for fiscal 2019 reported in this survey. The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

³ The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

State General Fund Spending

Recommended Spending for Fiscal 2020. Governors have proposed general fund spending in the amount of \$915.9 billion in fiscal 2020 according to recommended budgets, representing a 3.7 percent increase compared to estimated spending levels for fiscal 2019. The median growth rate proposed is similar at 3.4 percent. A majority of states (28) expect general fund spending to grow between 0 and 5 percent in fiscal 2020, according to governors' budgets.

Estimated Spending for Fiscal 2019. This edition of the *Fiscal Survey of States* shows general fund spending increased by an estimated 5.8 percent in fiscal 2019 to total \$883.0 billion. This marks the fastest annual rate of growth in nominal terms since fiscal 2007, when general fund spending increased by an estimated 9.4 percent. In the aggregate, estimated general fund expenditures for fiscal 2019 came in approximately \$8.4 billion higher than originally enacted levels, as reported in NASBO's *Fall 2018 Fiscal Survey of States*. Most states saw general fund revenue collections exceed original budget projections, and many of these states approved additional spending in fiscal 2019 through mid-year budget adjustments. Thirty-one states reported estimated spending levels in fiscal 2019 that exceeded their enacted general fund appropriations levels, while 12 states reported lower spending estimates compared to enacted budgets. Adjusting for inflation, general fund spending in fiscal 2019 increased 3.5 percent.³ (See Tables 3–5)

Spending Growth by State. According to governors' recommended budgets for fiscal 2020, 28 states forecast general fund spending growth between 0 and 5.0 percent, 16 states expect general fund spending growth between 5 and 10 percent, three states anticipate spending growth greater than 10 percent, and just three states forecast general fund spending to stay flat or decline. In fiscal 2019, 24 states had estimated spending growth between 0 and 5 percent, 15 states had growth between 5 and 10 percent, 7 states reported spending growth greater than 10 percent, and just four states reported estimated spending declines. For states that budget on a biennial basis, spending is not always evenly distributed in a two-year cycle, which can affect year-over-year changes. There are also state-specific anomalies that can impact annual spending growth figures. In fiscal 2020, New Hampshire reported a nearly 58 percent recommended increase in general fund spending; this is due to the governor's proposed merging of the Education Trust Fund, previously excluded from Fiscal Survey reporting, with the state's general fund. (See Tables 2 and 6)

Looking over the two-year period from fiscal 2018 to fiscal 2020, 23 states are estimating double-digit percentage general fund spending increases in that time, reflective of the strong revenue conditions most states have experienced in the last couple of years. Eight of those states estimate a two-year increase greater than 15 percent, including six states in the West (Arizona, California, Colorado, New Mexico, Utah and Washington), where the economy and population continue to grow faster compared to national averages. The other two states include Oklahoma, which enacted significant tax increases in fiscal 2019 to address structural budget issues and raise teacher pay, and New Hampshire, where the governor's budget merges the Education Trust Fund with the general fund as explained above.

State Spending from All Sources

This report captures only state general fund spending. General fund spending represents the primary component of discretionary expenditures of revenue derived from general sources which have not been earmarked for specific items. According to the most recent edition of NASBO's *State Expenditure Report*, estimated fiscal 2018 spending from all sources (general funds, federal funds, other state funds and bonds) is approximately \$2.03 trillion. General funds represent the largest category of total state spending by fund source at 40.5 percent, followed by federal funds at 31.2 percent, other state funds at 26.5 percent, and bonds at 1.8 percent. The program area components of total state spending for estimated fiscal 2018 are: Medicaid, 29.7 percent; elementary and secondary education, 19.6 percent; higher education, 10.1 percent; transportation, 8.0 percent; corrections, 3.1 percent; public assistance, 1.3 percent; and all other expenditures, 28.3 percent.

For estimated fiscal 2018, components of general fund spending are elementary and secondary education, 35.8 percent; Medicaid, 20.2 percent; higher education, 9.7 percent; corrections, 6.8 percent; public assistance, 1.0 percent; transportation, 0.7 percent; and all other expenditures, 25.8 percent.

TABLE 1
State Nominal and Real Annual Budget Increases,
Fiscal 1979 to Fiscal 2020

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2020	3.7%	
2019	5.8	3.5
2018	3.2	-0.2
2017	3.1	1.4
2016	3.5	3.7
2015	4.4	3.2
2014	4.5	1.5
2013	4.2	1.4
2012	3.4	0.7
2011	3.5	0.3
2010	-5.7	-6.7
2009	-3.8	-5.9
2008	4.9	-0.6
2007	9.4	4.4
2006	8.1	2.6
2005	5.9	-0.1
2004	2.9	-0.8
2003	-0.1	-3.1
2002	0.6	-1.6
2001	8.0	3.6
2000	7.8	3.0
1999	5.9	3.1
1998	5.7	3.7
1997	4.6	2.3
1996	5.4	3.1
1995	6.3	3.3
1994	6.2	4.0
1993	3.2	-0.2
1992	4.6	1.3
1991	5.2	0.7
1990	6.0	1.1
1989	9.8	5.9
1988	8.3	4.2
1987	6.9	3.2
1986	10.7	7.2
1985	10.2	6.0
1984	8.1	4.0
1983	-0.7	-6.2
1982	6.4	-0.9
1981	16.3	5.2
1980	10.0	-0.5
1979	10.1	3.2
1979–2019 average	5.4%	1.6%

Notes: The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for state expenditures in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2018 figures are based on the change from fiscal 2017 actuals to fiscal 2018 actuals. Fiscal 2019 figures are based on the change from fiscal 2018 actuals to fiscal 2019 estimates. Fiscal 2020 figures are based on the change from fiscal 2019 estimates to fiscal 2020 recommended figures.

FIGURE 1:
Annual Percentage Spending Changes, Fiscal 1979 to Fiscal 2020

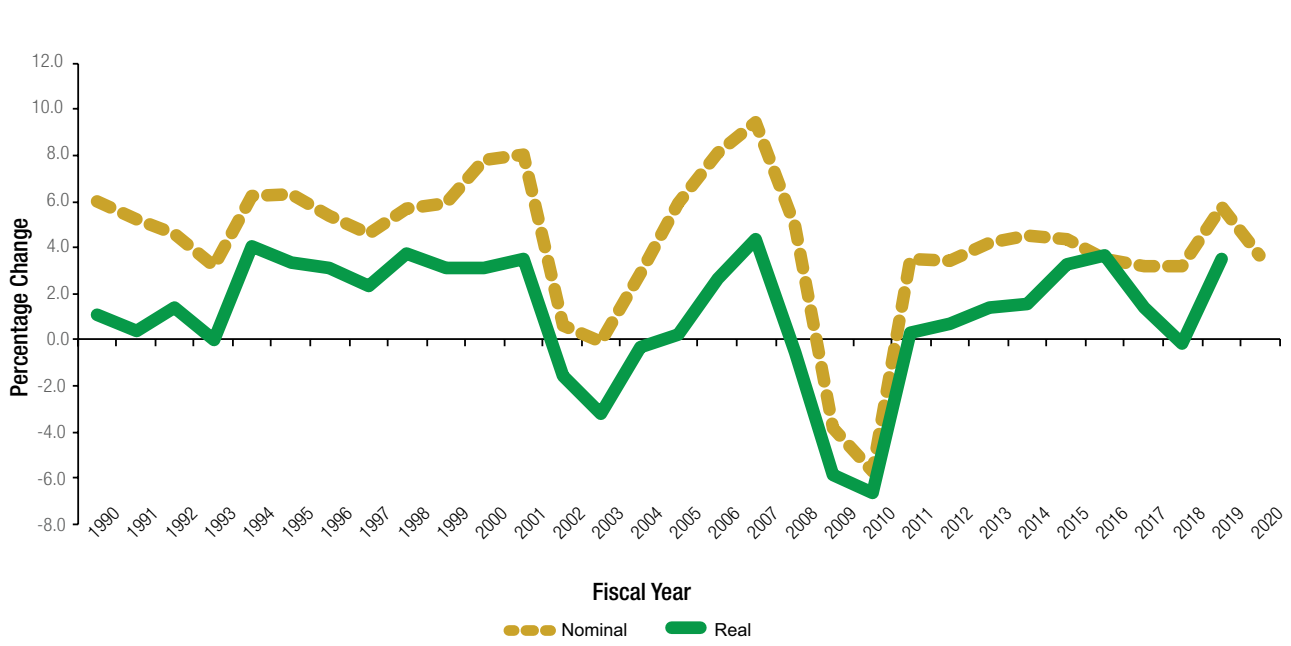


TABLE 2
**State General Fund Expenditure Growth,
 Fiscal 2018 to Fiscal 2020**

Spending Growth	Fiscal 2018 (Actual)	Fiscal 2019 (Estimated)	Fiscal 2020 (Recommended)
0% or less	9	4	3
> 0.0% but < 5.0%	30	24	28
> 5.0% but < 10.0%	10	15	16
10% or more	1	7	3

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

TABLE 3
Fiscal 2018 State General Fund, Actual (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama	\$150	\$8,750	\$0	\$8,900	\$8,307	\$0	\$593	\$784
Alaska*	0	2,414	745	3,158	4,489	820	-2,151	2,533
Arizona*	151	10,036	74	10,261	9,812	0	450	458
Arkansas*	0	5,495	0	5,495	5,495	0	0	127
California*	5,702	131,495	-1,003	136,193	124,699	-408	11,902	21,791
Colorado* **	614	11,723	99	12,436	11,215	-145	1,366	1,366
Connecticut*	0	18,199	0	18,199	18,685	-3	-483	1,185
Delaware* **	475	4,393	0	4,868	4,118	0	750	232
Florida	1,515	31,962	0	33,476	31,830	0	1,646	1,417
Georgia* **	2,472	24,320	144	26,935	24,130	0	2,806	2,800
Hawaii	894	7,660	0	8,554	7,804	0	750	376
Idaho*	101	3,732	9	3,841	3,466	136	239	421
Illinois* **	1,368	36,943	4,313	42,624	35,381	7,117	126	4
Indiana*	303	15,837	150	16,289	15,736	186	366	1,474
Iowa*	0	7,384	0	7,384	7,224	33	127	620
Kansas*	109	7,299	4	7,411	6,649	0	762	0
Kentucky*	116	10,941	470	11,527	11,330	168	29	94
Louisiana*	123	9,903	26	10,051	9,605	138	308	321
Maine*	57	3,506	33	3,595	3,515	6	75	288
Maryland*	259	17,373	35	17,666	17,240	-164	590	857
Massachusetts* **	1,448	43,819	1,217	46,484	42,880	1,217	2,387	2,001
Michigan*	623	10,548	-57	11,114	10,134	265	715	1,006
Minnesota* **	3,333	22,297	0	25,630	22,347	0	3,283	2,048
Mississippi*	4	5,694	0	5,698	5,694	0	5	295
Missouri*	168	9,469	125	9,762	9,267	0	495	305
Montana*	48	2,405	2	2,455	2,287	-18	186	0
Nebraska*	248	4,567	-11	4,803	4,350	0	454	340
Nevada*	434	4,019	102	4,555	4,018	112	425	180
New Hampshire*	0	1,596	0	1,596	1,504	17	74	110
New Jersey*	718	35,851	-156	36,414	35,423	0	991	0
New Mexico* **	505	6,881	52	7,439	6,191	55	1,194	527
New York**	7,749	71,420	0	79,169	69,724	0	9,445	1,798
North Carolina*	472	23,565	0	24,037	22,746	295	995	1,849
North Dakota*	65	1,972	377	2,414	2,160	0	253	113
Ohio*	557	32,471	0	33,028	31,807	0	1,221	2,034
Oklahoma*	84	6,606	-274	6,416	6,034	382	0	452
Oregon*	1,000	10,231	-227	11,004	9,764	0	1,240	940
Pennsylvania*	-1,539	34,567	-1,035	31,993	31,948	22	23	0
Rhode Island*	62	3,908	-109	3,861	3,799	10	53	199
South Carolina* **	1,076	8,124	21	9,221	7,895	139	1,187	509
South Dakota*	8	1,593	15	1,616	1,591	8	17	165
Tennessee*	1,647	14,855	-458	16,044	13,828	1,077	1,140	800
Texas*	883	57,155	928	58,966	56,050	2,768	148	11,043
Utah*	85	7,038	41	7,164	6,739	107	317	578
Vermont*	0	1,635	5	1,641	1,564	77	0	112
Virginia	783	19,879	0	20,662	20,450	0	212	440
Washington*	1,101	21,712	-349	22,464	20,475	0	1,989	1,369
West Virginia*	398	4,245	4	4,648	4,232	38	378	710
Wisconsin*	579	16,144	608	17,332	17,139	-396	589	320
Wyoming*	0	1,126	404	1,530	1,530	0	0	1,538
Total	\$36,945	\$854,754		\$898,022	\$834,298		\$49,665	\$68,926

NOTES: NA Indicates data are not available. *See Notes to Table 3 on page 18. **In these states, the ending balance includes the balance in the rainy day fund.

TABLE 4

Fiscal 2019 State General Fund, Estimated (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$593	\$9,037	\$0	\$9,630	\$8,763	\$337	\$531	\$847
Alaska*	0	2,683	2,957	5,641	4,989	1,024	-372	3,604
Arizona*	450	10,727	116	11,292	10,438	0	854	458
Arkansas*	0	5,690	0	5,690	5,626	0	64	155
California*	11,902	136,945	0	148,847	144,082	0	4,765	17,816
Colorado* **	1,366	12,279	18	13,663	12,539	0	1,125	1,125
Connecticut*	0	19,473	0	19,473	18,977	0	496	1,949
Delaware* **	750	4,470	0	5,219	4,449	0	770	240
Florida	1,646	33,477	0	35,123	33,492	0	1,631	1,483
Georgia*	2,806	25,323	0	28,128	25,323	0	2,806	N/A
Hawaii	750	7,800	0	8,551	7,944	0	607	384
Idaho*	239	3,750	-112	3,877	3,653	106	119	496
Illinois* **	126	37,410	1,716	39,252	35,684	3,212	356	0
Indiana*	366	16,385	104	16,856	16,333	-301	824	1,380
Iowa*	0	7,729	71	7,800	7,614	0	186	762
Kansas*	762	7,310	-268	7,804	7,126	0	678	0
Kentucky*	13	11,318	322	11,653	11,601	52	0	127
Louisiana*	308	9,444	180	9,932	9,624	0	308	351
Maine*	75	3,767	21	3,863	3,708	36	119	281
Maryland*	590	18,070	73	18,733	17,909	18	806	882
Massachusetts* **	2,387	45,479	1,224	49,089	45,294	1,224	2,571	2,496
Michigan*	715	10,215	0	10,930	10,528	165	238	1,152
Minnesota* **	3,283	22,915	0	26,198	23,161	0	3,037	2,425
Mississippi*	5	5,656	0	5,661	5,661	0	0	314
Missouri*	495	9,629	127	10,251	9,626	0	625	320
Montana	186	2,434	0	2,620	2,451	0	169	46
Nebraska*	454	4,800	-485	4,768	4,456	-1	312	334
Nevada*	425	4,250	93	4,768	4,079	52	636	328
New Hampshire*	74	1,632	0	1,706	1,576	131	0	125
New Jersey*	991	37,435	345	38,770	37,672	0	1,098	0
New Mexico* **	1,194	7,490	177	8,861	7,599	36	1,226	649
New York* **	9,445	70,658	0	80,103	73,558	250	6,295	2,048
North Carolina*	995	24,081	0	25,076	23,923	357	796	1,254
North Dakota*	253	1,779	494	2,527	2,149	312	65	741
Ohio*	1,221	33,268	0	34,489	33,643	0	846	2,692
Oklahoma*	0	7,689	-124	7,565	6,998	360	207	N/A
Oregon*	1,240	10,423	-49	11,614	10,162	0	1,452	1,213
Pennsylvania*	23	34,399	-1,197	33,225	33,219	3	3	23
Rhode Island*	53	4,009	-112	3,950	3,947	0	3	203
South Carolina* **	1,187	8,454	4	9,646	8,096	145	1,405	531
South Dakota*	17	1,642	10	1,669	1,652	17	0	176
Tennessee*	1,140	14,980	-50	16,069	14,983	281	805	875
Texas*	1,906	56,670	128	58,704	51,722	2,799	4,183	11,800
Utah*	317	7,558	13	7,887	7,713	0	174	664
Vermont*	0	1,628	0	1,628	1,582	46	0	192
Virginia	212	20,817	0	21,029	20,991	0	38	1,211
Washington*	1,989	22,214	-607	23,596	23,052	0	544	1,605
West Virginia*	378	4,608	0	4,986	4,439	214	333	735
Wisconsin*	589	16,674	500	17,762	17,684	-613	692	N/A
Wyoming*	0	1,205	325	1,530	1,530	0	0	1,667
Total	\$53,913	\$877,776		\$937,704	\$883,017		\$44,426	\$68,155

NOTES: NA Indicates data are not available. *See Notes to Table 4 on page 21. **In these states, the ending balance includes the balance in the rainy day fund.



TABLE 5
Fiscal 2020 State General Fund, Recommended* (Millions)**

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$531	\$9,259	\$0	\$9,790	\$9,272	\$355	\$162	\$1,020
Alaska*	0	2,304	3,400	5,704	3,710	1,944	50	3,895
Arizona*	854	11,091	101	12,046	11,350	586	109	1,000
Arkansas*	0	5,806	0	5,806	5,806	0	0	155
California*	4,765	142,618	0	147,384	144,192	0	3,192	18,010
Colorado* **	1,186	13,213	20	14,419	13,465	0	954	954
Connecticut	0	19,365	0	19,365	19,259	0	106	2,354
Delaware* **	770	4,557	0	5,327	4,664	0	664	249
Florida	1,631	34,275	0	35,906	34,577	0	1,329	1,574
Georgia*	2,806	26,144	0	28,950	26,144	0	2,806	N/A
Hawaii*	607	8,074	0	8,681	8,196	0	485	393
Idaho*	98	4,053	0	4,150	3,897	80	173	505
Illinois* **	356	38,903	0	39,259	36,016	3,117	126	0
Indiana*	824	16,821	0	17,645	16,776	148	722	1,390
Iowa*	0	7,866	93	7,959	7,654	0	306	787
Kansas	678	7,574	0	8,252	7,566	0	686	0
Kentucky*	0	11,580	368	11,948	11,719	229	0	304
Louisiana	0	9,740	0	9,740	9,740	0	0	376
Maine*	119	3,891	6	4,016	3,959	0	58	281
Maryland*	806	18,622	205	19,632	19,562	-35	105	1,211
Massachusetts* **	2,571	46,340	1,177	50,088	46,070	1,177	2,841	2,792
Michigan*	238	10,585	0	10,823	10,665	150	8	1,329
Minnesota* **	3,035	24,277	0	27,312	24,265	0	3,047	2,425
Mississippi	0	5,802	0	5,802	5,686	0	116	429
Missouri*	626	9,822	97	10,545	10,328	0	217	323
Montana	169	2,576	0	2,744	2,518	0	226	46
Nebraska*	312	4,885	-312	4,885	4,600	-1	286	403
Nevada*	263	4,410	62	4,735	4,417	-59	376	372
New Hampshire*	0	2,524	0	2,524	2,485	38	2	125
New Jersey*	1,098	38,515	-164	39,450	38,289	0	1,160	0
New Mexico* **	1,289	7,333	202	8,824	7,503	36	1,286	1,065
New York* **	6,545	75,075	0	81,620	76,622	238	4,760	2,286
North Carolina*	796	24,830	0	25,626	25,213	339	75	1,480
North Dakota*	65	2,392	70	2,527	2,468	0	59	741
Ohio*	845	34,179	0	35,024	34,489	0	535	2,692
Oklahoma*	207	7,973	0	8,180	7,573	0	607	N/A
Oregon*	1,452	10,199	-249	11,402	10,948	0	454	1,412
Pennsylvania*	3	35,296	-1,143	34,156	34,146	5	5	27
Rhode Island*	3	4,199	-126	4,076	4,075	0	1	210
South Carolina* **	1,405	8,717	0	10,122	8,894	152	1,077	569
South Dakota	0	1,696	0	1,696	1,696	0	0	176
Tennessee*	805	15,352	-225	15,932	15,505	426	1	1,100
Texas*	4,183	59,657	0	63,840	58,524	3,123	2,193	13,527
Utah*	174	7,910	4	8,088	7,880	0	208	664
Vermont*	0	1,641	0	1,641	1,637	4	0	193
Virginia*	38	22,637	0	22,675	22,650	0	25	1,550
Washington*	544	24,259	-174	24,629	24,553	0	76	1,892
West Virginia*	333	4,676	0	5,009	4,675	0	334	735
Wisconsin*	692	17,794	525	19,011	18,454	-381	938	N/A
Wyoming*	0	1,205	325	1,530	1,530	0	0	1,667
Total	\$43,721	\$912,510		\$960,493	\$915,878		\$32,945	\$74,684

NOTES: N/A indicates data are not available. *See Notes to Table 5 on page 26. **In these states, the ending balance includes the balance in the rainy day fund. ***For some states that enacted biennial budgets for fiscal 2019-2020, the fiscal 2020 data in this survey reflect enacted budget information. See footnotes to this table for more details.

TABLE 6
General Fund Nominal Percentage Expenditure Change,
Fiscal 2018 to Fiscal 2020

State	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	1.7%	5.5%	5.8%
Alaska	-0.2	11.1	-25.6
Arizona	1.8	6.4	8.7
Arkansas	2.7	2.4	3.2
California	4.5	15.5	0.1
Colorado	7.6	11.8	7.4
Connecticut	5.4	1.6	1.5
Delaware	0.3	8.0	4.8
Florida	5.0	5.2	3.2
Georgia	4.1	4.9	3.2
Hawaii	4.3	1.8	3.2
Idaho	6.3	5.4	6.7
Illinois	14.1	0.9	0.9
Indiana	1.8	3.8	2.7
Iowa	-0.5	5.4	0.5
Kansas	5.9	7.2	6.2
Kentucky	1.4	2.4	1.0
Louisiana	5.0	0.2	1.2
Maine	5.0	5.5	6.8
Maryland	-0.3	3.9	9.2
Massachusetts	4.1	5.6	1.7
Michigan	3.3	3.9	1.3
Minnesota	5.9	3.6	4.8
Mississippi	0.7	-0.6	0.4
Missouri	1.2	3.9	7.3
Montana	-3.3	7.2	2.7
Nebraska	0.5	2.5	3.2
Nevada	0.7	1.5	8.3
New Hampshire	-0.5	4.8	57.7
New Jersey	2.9	6.3	1.6
New Mexico	1.0	22.7	-1.3
New York	2.4	5.5	4.2
North Carolina	3.0	5.2	5.4
North Dakota	-13.7	-0.5	14.8
Ohio*	-8.6	5.8	2.5
Oklahoma	5.2	16.0	8.2
Oregon	7.4	4.1	7.7
Pennsylvania	0.0	4.0	2.8
Rhode Island	3.4	3.9	3.2
South Carolina	3.3	2.5	9.9
South Dakota	2.8	3.8	2.7
Tennessee	4.5	8.4	3.5
Texas	4.4	-7.7	13.2
Utah	5.1	14.4	2.2
Vermont	1.5	1.2	3.5
Virginia	1.7	2.6	7.9
Washington	5.9	12.6	6.5
West Virginia	-0.4	4.9	5.3
Wisconsin	0.2	3.2	4.4
Wyoming	0.0	0.0	0.0
Average	3.2%	5.8%	3.7%
Median	2.7%	4.4%	3.4%

*See Notes to Table 6 on page 29. **Fiscal 2018 reflects changes from fiscal 2017 expenditures (actual) to fiscal 2018 expenditures (actual). Fiscal 2019 reflects changes from fiscal 2018 expenditures (actual) to fiscal 2019 expenditures (estimated). Fiscal 2020 reflects changes from fiscal 2019 expenditures (estimated) to fiscal 2020 expenditures (recommended).

Recommended Appropriation Changes for Fiscal 2020

Similar to fiscal 2019, states entered the fiscal 2020 budget cycle with a significant portion of new money available to spend on key priorities, thanks to strong revenue conditions recently. Overall, governors proposed general fund appropriations for fiscal 2020 identifying \$30.8 billion in increases over fiscal 2019 enacted appropriation levels. By far the largest recipient of new money in governors' budgets was elementary and secondary education, which is also the largest category of state general fund spending overall. Governors called for \$14.1 billion in additional appropriations for fiscal 2020 to K–12 education on net (accounting for 46 percent of the total amount of proposed appropriation increases), with 41 governors recommending increases and just two recommending decreases.

Notably, higher education was the second largest program area recipient of new general fund spending (outside of “all other”), with governors calling for \$3.6 billion in additional money for colleges and universities, and 41 states proposing increases. Thanks in part to a strong economy and low unemployment, Medicaid's share of new money in fiscal 2020 is relatively small compared to most years, with governors calling for a \$2.7 billion increase (accounting for 9 percent of the total new appropriations by program area). Governors also recommended moderate net increases in general fund spending for corrections (\$1.9 billion), public assistance (\$519 million), and transportation (\$424 million). Forty-six states rely on a separate transportation fund to finance transportation spending, as reported in NASBO's 2018 *State Expenditure Report*; therefore, general fund spending adjustments are not necessarily reflective of overall recommended state spending changes for transportation.

The “all other” category of general fund spending received sizeable proposed general fund appropriation increases as well, with governors directing \$7.4 billion in additional funding to this broad category comprised of a diverse range of programs. Some states provided further detail on proposed appropriation changes in this category, which include spending increases for housing programs, other health programs besides Medicaid, deposits to reserve funds, pension fund contributions, public safety, environment and conservation projects, economic development, capital construction and debt service, children and family services, local government assistance, and state parks. (See Table 9)

Mid-Year Budget Adjustments for Fiscal 2019

Mid-year budget actions include any actions, whether legislative or executive (e.g., executive order, withholding of excess funds), that change the appropriated or authorized expenditure level compared to the original enacted budget. Looking at mid-year budget actions in fiscal 2019 offers another indicator of strong state fiscal conditions relative to a couple years ago. Notably, in fiscal 2019, no states reported making mid-year budget reductions due to a revenue shortfall. Only three states (Colorado, Hawaii and Nebraska) reported mid-year budget cuts made for other reasons, such as using offsetting resources available from another fund source, and the reduction amounts were modest, totaling just -\$76 million. In contrast, two years ago in fiscal 2017, 22 states made net mid-year spending decreases totaling \$3.5 billion. (See Table 7 and Figure 2)

Meanwhile, 21 states reported making mid-year spending increases so far in fiscal 2019 totaling \$5.6 billion, for a net mid-year increase of \$5.5 billion in general fund spending after accounting for minimal reductions. This is the highest net dollar amount of mid-year spending increases recorded in the Spring Fiscal Survey in the last six years. Revenue surpluses from fiscal 2018 and upward revisions to fiscal 2019 revenue estimates provided most of the resources for these increases. All program areas (K–12 education, higher education, public assistance, Medicaid, corrections, transportation and all other) were recipients of net increases in spending due to mid-year budget actions in fiscal 2019. The “all other” category was notably the largest recipient by far of mid-year (post-enacted) spending increases. Some of the more sizable increases in this area included funding for disaster response activities, rainy day fund deposits, and child welfare services. Some program area general fund appropriation changes — particularly reductions — were partially or fully offset by other state fund changes. (See Table 8)

Budget Gaps

Strong fiscal conditions in fiscal 2019 meant that few states reported having to close budget gaps, similar to fiscal 2018. Eight states reported closing budget gaps totaling \$5.4 billion in fiscal 2019, and four states reported \$1.4 billion in budget gaps still to close for the current fiscal year.

For fiscal 2020, 10 states forecasted budget gaps amounting to \$10.7 billion, before incorporating governors' budget recommendations. It is important to note that budget gap

projections tend to be moving targets and can change dramatically over the course of the fiscal year. States also vary greatly in the methods and assumptions used to measure projected budget gaps, and not all states have a formal process to identify budget gaps.

Budget Management Strategies. In order to manage their budgets, states employ a variety of strategies. The survey asks states about budget management strategies used after the fiscal 2019 budget was enacted and strategies used in the development of the fiscal 2020 proposed budget. In fiscal 2019, eight states reported that targeted cuts were used to reduce expenditures during the fiscal year (or after budget enactment), while four states made across-the-board percentage cuts. Other common budget management strategies for fiscal 2019 included: eliminating vacant positions or hiring freezes (6 states); withdrawing, diverting or making deposits into rainy day funds (7 states); and transferring from other state funds (besides the rainy day fund) (9 states). For fiscal 2020, among the most common strategies used, 14 governors recommended targeted spending cuts, 11 eliminated vacant positions or imposed hiring freezes, and 14 states used transfers from other funds. Many states provided more details on these strategies in footnotes, printed at the end of this chapter. [\(See Tables 10–11\)](#)

Biennial Budgets: Spending in Fiscal 2020

While 30 states produce budgets annually, 20 states practice biennial budgeting. Three states — Kentucky, Virginia and Wyoming — enacted spending plans in 2018 covering fiscal 2019 and fiscal 2020. For fiscal 2020, these states reported on their budgets as enacted, with either proposed or enacted revisions.

Governors in 17 biennial budget states recommended two-year budgets covering fiscal 2020 and fiscal 2021 for consideration during the 2019 legislative sessions. A number of these states opted to provide general fund data, as well as spending and tax changes, for fiscal 2021 based on the governor's proposed budget. This information can be found in the Appendix. [\(See Tables A–5 to A–9\)](#)

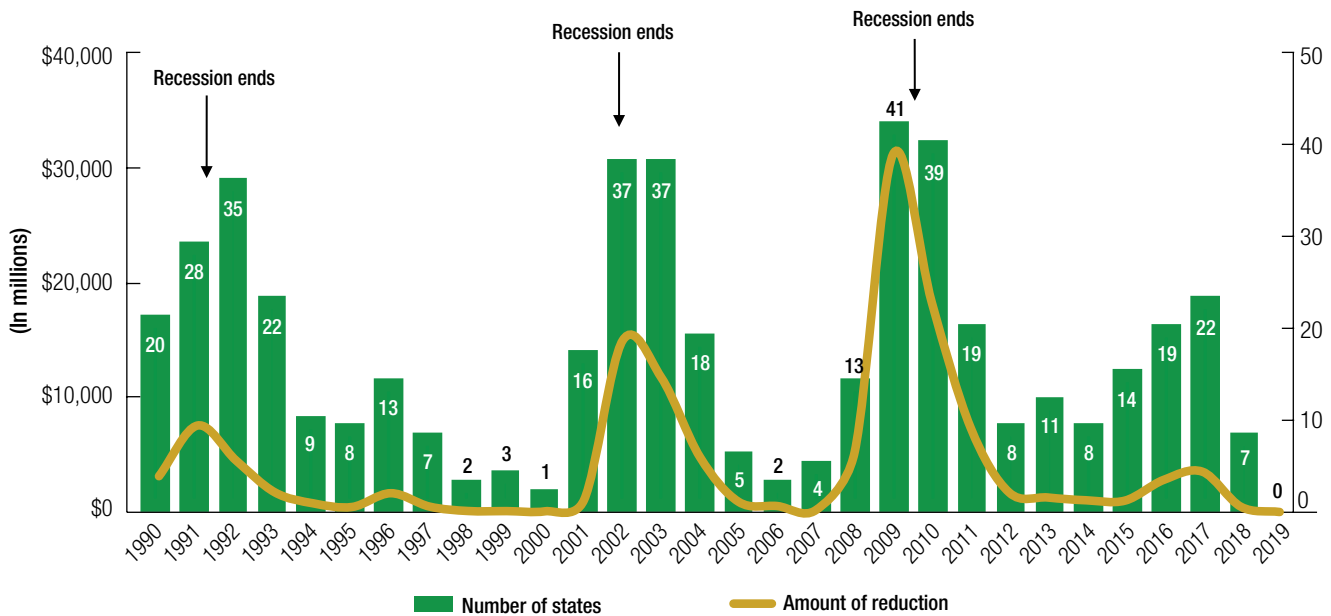
TABLE 7

States with Net Mid-Year Cuts in Fiscal 2019 Due to a Shortfall

State	FY 2019 Size of Cuts (\$ in Millions)	Programs or Expenditures Exempted from Cuts
<i>No states reported mid-year budget reductions in fiscal 2019 due to a revenue shortfall.</i>		
Total	\$0.0	

FIGURE 2:

Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2019



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

TABLE 8

Fiscal 2019 Mid-Year Program Area Adjustments By Dollar Value (Millions)

State	K-12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Alabama*	\$0.0	\$0.0	\$0.0	\$84.0	\$9.9	\$0.0	\$99.6	\$193.5
Alaska*	-22.0	0.0	0.0	15.0	0.0	0.0	26.2	19.2
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California*	0.0	0.0	0.0	0.0	27.5	0.0	475.3	502.8
Colorado*	-64.7	0.0	5.7	41.0	2.1	0.0	-2.7	-18.7
Connecticut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Georgia*	185.9	53.7	35.6	67.6	3.7	0.0	74.9	421.4
Hawaii*	-6.7	-5.2	-2.6	-0.7	-0.7	-0.4	-27.8	-44.1
Idaho	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana*	-0.5	-0.4	-1.1	-2.0	-10.0	-1.4	131.7	116.3
Iowa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kansas*	-0.2	0.0	3.6	19.0	1.4	0.0	-16.5	7.3
Kentucky*	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.3
Louisiana*	4.9	0.1	0.0	2.5	4.7	0.0	51.4	63.7
Maine	4.3	1.0	0.0	49.9	18.4	0.0	42.7	116.3
Maryland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Massachusetts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Michigan*	77.9	0.0	3.6	-48.3	2.0	56.7	678.8	770.8
Minnesota	0.0	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	0.0
Missouri	0.0	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	0.0
Nebraska*	-1.9	0.0	0.0	0.0	0.0	0.0	-11.7	-13.6
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Jersey	-65.2	0.2	-5.6	81.8	-1.7	48.9	242.2	300.6
New Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New York	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Carolina*	91.5	33.0	0.0	0.0	0.0	0.0	630.0	754.5
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon*	-74.1	16.1	4.0	48.0	25.6	0.0	69.6	89.2
Pennsylvania	14.0	0.0	17.8	388.3	61.4	0.0	22.4	503.9
Rhode Island*	0.0	0.0	0.0	11.7	-1.4	0.0	18.5	28.8
South Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Dakota	-6.5	-0.2	4.8	-19.1	7.6	0.0	23.4	10.0
Tennessee	0.0	0.0	0.0	21.9	0.0	0.0	14.2	36.1
Texas	0.0	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	0.0
Vermont*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Virginia	47.0	0.5	-0.4	171.2	8.5	75.0	835.8	1,137.6
Washington*	21.0	1.0	19.0	88.0	23.0	1.0	56.0	209.0
West Virginia*	12.7	0.0	24.9	0.0	20.9	0.0	137.2	195.7
Wisconsin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wyoming*	0.0	21.0	0.0	0.0	6.0	0.0	63.0	90.0
Total	\$217.4	\$121.0	\$109.4	\$1,019.9	\$208.9	\$179.8	\$3,634.3	\$5,490.6
Increases	9	10	9	14	15	4	19	21
Decreases	9	3	4	4	4	2	4	3

NOTE: *See Notes to Table 8 on page 29.

TABLE 9

Fiscal 2020 Recommended Program Area Appropriation Changes by Dollar Value (Millions)

State	K-12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Alabama*	\$320.2	\$163.5	\$11.3	-\$52.1	\$40.2	\$0.0	\$100.6	\$583.6
Alaska	-68.3	-133.9	-37.8	-249.2	-31.6	-78.8	-557.1	-1,156.6
Arizona	632.8	72.0	85.1	-0.3	32.1	40.0	142.9	1,004.6
Arkansas*	32.4	4.4	0.0	61.6	13.3	0.0	13.6	125.3
California*	2,195.7	1,027.2	-13.7	-49.0	396.9	62.0	1,884.9	5,504.0
Colorado*	341.1	111.8	49.5	117.0	40.0	0.0	112.2	771.6
Connecticut*	46.9	32.5	-13.1	-22.5	40.8	20.6	197.2	302.4
Delaware	80.9	8.7	4.4	15.0	16.2	0.0	37.1	162.3
Florida*	378.4	-113.5	0.0	110.0	168.4	0.0	390.8	934.1
Georgia	658.6	159.5	110.4	0.0	32.9	38.6	-145.2	854.8
Hawaii*	136.6	61.3	3.0	-15.0	9.3	-11.5	350.4	534.1
Idaho*	109.8	22.2	4.4	99.2	9.5	0.0	17.5	262.6
Illinois*	498.0	132.0	0.0	-702.0	110.0	-5.0	224.0	257.0
Indiana*	135.8	44.2	-1.9	176.7	13.4	-2.0	274.9	641.1
Iowa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kansas*	518.4	11.3	34.6	-38.0	3.7	0.0	0.0	530.0
Kentucky*	0.0	0.0	0.0	0.0	0.0	0.0	3.2	3.2
Louisiana	146.2	26.0	0.0	-6.3	21.6	0.0	-7.6	179.9
Maine	91.5	10.7	0.0	86.1	8.1	0.0	54.0	250.4
Maryland*	373.5	127.5	-4.7	140.5	23.8	125.0	832.4	1,618.0
Massachusetts*	199.0	49.1	17.8	10.3	33.1	1.7	227.8	538.8
Michigan*	0.0	545.8	3.0	239.0	17.3	-356.7	-160.6	287.8
Minnesota	258.8	64.2	-2.1	14.3	40.5	6.4	367.2	749.2
Mississippi	-0.6	1.8	25.5	0.0	16.6	0.0	99.9	143.2
Missouri*	79.7	72.5	-3.9	317.3	5.5	86.2	141.6	698.9
Montana	38.9	8.2	0.7	6.3	5.8	0.0	50.0	109.9
Nebraska*	71.3	18.9	-2.8	18.4	5.1	0.0	32.1	143.0
Nevada	102.3	80.0	3.0	141.3	17.2	0.0	19.6	363.4
New Hampshire*	872.9	2.0	0.0	0.0	8.4	0.0	169.1	1,052.4
New Jersey	422.9	25.8	21.6	-22.8	4.7	167.6	-3.0	616.8
New Mexico	503.5	26.8	2.1	63.3	15.9	0.0	195.0	806.6
New York*	193.0	15.0	68.0	749.0	101.0	87.0	-1,192.0	21.0
North Carolina*	567.8	145.4	0.0	137.8	112.0	205.4	346.7	1,515.1
North Dakota*	45.4	23.6	1.5	-48.0	3.5	0.0	292.4	318.4
Ohio	323.3	89.9	-4.4	387.9	70.7	1.0	316.9	1,185.3
Oklahoma	95.5	0.0	0.0	0.0	7.2	0.0	80.5	183.2
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	448.6	65.2	38.3	266.0	17.4	0.0	91.8	927.3
Rhode Island*	47.2	14.2	11.2	14.5	1.0	0.0	81.8	169.9
South Carolina	240.1	53.3	47.8	74.8	37.2	0.0	-3.4	450.0
South Dakota	11.3	4.8	10.9	3.0	2.7	0.0	21.4	54.1
Tennessee	126.9	138.1	0.0	84.9	34.5	0.0	137.3	521.7
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah*	262.1	-52.2	0.0	56.0	119.4	12.6	159.0	556.9
Vermont*	0.0	5.4	-3.0	6.2	1.9	0.0	45.0	55.5
Virginia	107.9	24.4	4.2	245.6	17.1	0.0	608.4	1,007.7
Washington	1,961.0	308.0	11.0	313.0	167.0	16.0	1,381.0	4,157.0
West Virginia	57.9	3.6	37.5	0.0	37.6	0.0	38.0	174.6
Wisconsin	470.1	106.7	0.0	-9.1	97.0	8.1	-49.2	623.6
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$14,135.4	\$3,607.9	\$519.4	\$2,740.7	\$1,945.9	\$424.2	\$7,420.3	\$30,793.7
Increases	41	41	24	28	44	15	37	45
Decreases	2	3	10	12	1	5	8	1

NOTE: *See Notes to Table 9 on page 31. Value of changes are in reference to funding level of FY 2019 enacted budget.

TABLE 10

Strategies Used to Manage Budget, Fiscal 2019 Mid-Year (Post-Enacted)

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension/ OPEB Adjustments
Alabama									
Alaska*		X		X				X	
Arizona									
Arkansas*		X						X	
California*									X
Colorado*									
Connecticut*									
Delaware									
Florida									
Georgia									
Hawaii		X							
Idaho									
Illinois*									
Indiana*	X								
Iowa									
Kansas*									
Kentucky*								X	
Louisiana									
Maine*								X	
Maryland*									
Massachusetts*									
Michigan*									
Minnesota									
Mississippi									
Missouri									
Montana	X	X	X						
Nebraska*	X	X						X	
Nevada									
New Hampshire									
New Jersey									
New Mexico*									
New York*									
North Carolina*									
North Dakota*									
Ohio*									
Oklahoma*									
Oregon*									
Pennsylvania									
Rhode Island*	X	X							
South Carolina									
South Dakota*		X							
Tennessee*									
Texas									
Utah									
Vermont*									X
Virginia*									
Washington									
West Virginia		X						X	
Wisconsin									
Wyoming									
Total	4	8	1	1	0	0	0	6	2

NOTE: *See Notes to Tables 10 and 11 on page 33.

Table 10 continues on next page.

TABLE 10 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2019 Mid-Year (Post-Enacted)

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Alabama								
Alaska*		X		X				
Arizona					X			
Arkansas*		X						
California*								
Colorado*				X				
Connecticut*								
Delaware								
Florida								
Georgia								
Hawaii						X		
Idaho								
Illinois*								
Indiana*								
Iowa								
Kansas*								
Kentucky*								
Louisiana								
Maine*								X
Maryland*					X			
Massachusetts*								X
Michigan*				X				
Minnesota								
Mississippi								
Missouri								
Montana		X			X			
Nebraska*	X			X	X	X		X
Nevada								
New Hampshire								
New Jersey								
New Mexico*		X						
New York*				X	X	X		X
North Carolina*				X				
North Dakota*								
Ohio*								X
Oklahoma*								
Oregon*								
Pennsylvania								
Rhode Island*					X	X		
South Carolina								
South Dakota*				X	X			
Tennessee*								X
Texas								
Utah								
Vermont*								
Virginia*								X
Washington					X	X		
West Virginia					X			
Wisconsin								
Wyoming								
Total	1	4	0	7	9	5	0	7

NOTE: *See Notes to Tables 10 and 11 on page 33.

TABLE 11
Strategies Used to Manage Budget, Recommended Fiscal 2020

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension/ OPEB Adjustments
Alabama									
Alaska*	X	X	X			X		X	
Arizona									
Arkansas*		X						X	
California*									X
Colorado*									
Connecticut*		X					X		X
Delaware									
Florida		X						X	
Georgia									
Hawaii									
Idaho									
Illinois*									X
Indiana*	X								
Iowa									
Kansas*									X
Kentucky*			X	X				X	
Louisiana		X						X	
Maine*									
Maryland*		X						X	
Massachusetts*									
Michigan*		X							
Minnesota									
Mississippi									
Missouri		X						X	
Montana		X							
Nebraska*									
Nevada									
New Hampshire									
New Jersey									
New Mexico*									
New York*	X	X						X	X
North Carolina*									
North Dakota*									X
Ohio*									
Oklahoma*									
Oregon*	X	X						X	
Pennsylvania									
Rhode Island*		X							
South Carolina									
South Dakota*		X							
Tennessee*									
Texas									
Utah									
Vermont*		X						X	X
Virginia*									
Washington									
West Virginia								X	
Wisconsin									
Wyoming									
Total	4	14	2	1	0	1	1	11	7

NOTE: *See Notes to Tables 10 and 11 on page 33.

Table 11 continues on next page.

TABLE 11 (CONTINUED)

Strategies Used to Manage Budget, Recommended Fiscal 2020

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Alabama								
Alaska*	X	X	X		X	X		
Arizona					X			
Arkansas*		X						
California*								
Colorado*				X				
Connecticut*			X					X
Delaware								
Florida					X	X		
Georgia								
Hawaii						X		
Idaho								
Illinois*					X			
Indiana*								
Iowa								
Kansas*								
Kentucky*								
Louisiana								
Maine*					X	X		X
Maryland*				X	X			
Massachusetts*								X
Michigan*				X	X			
Minnesota								
Mississippi								
Missouri		X						
Montana					X			
Nebraska*	X	X						X
Nevada								
New Hampshire								
New Jersey								
New Mexico*								
New York*	X			X	X	X	X	X
North Carolina*								
North Dakota*				X	X			
Ohio*								X
Oklahoma*								X
Oregon*								
Pennsylvania					X			
Rhode Island*	X	X			X			
South Carolina								
South Dakota*		X						
Tennessee*								X
Texas								
Utah								
Vermont*								
Virginia*								X
Washington					X	X		
West Virginia					X	X		
Wisconsin								
Wyoming								
Total	4	6	2	5	14	7	1	9

NOTE: *See Notes to Tables 10 and 11 on page 33.

CHAPTER 1 NOTES

Notes to Table 3: Fiscal 2018 State General Fund, Actual

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

Alaska	<p>Revenues: Spring 2019 Revenue Sources Book (Total Revenue pg 2)</p> <p>Revenue Adjustments: SLA2018 Enacted Fiscal Summary (Lines 3–8)</p> <p>Expenditures: SLA2018 Enacted Fiscal Summary (Line 45)</p> <p>Expenditure Adjustments: SLA2018 Enacted Fiscal Summary (Line 46 and 51)</p> <p>Rainy Day Balance: State of Alaska Fiscal Summary FY18 and FY19 (Part 3)</p> <p>Rainy day balance includes any anticipated draws. Ending balance includes multi-year appropriations.</p>
Arizona	<p>\$74.4M in one-time fund transfers into the GF.</p>
Arkansas	<p>Total available revenue amounts are reported as net of refunds and special dedications/payments.</p>
California	<p>Revenue and expenditure adjustments to the beginning fund balance consist primarily of adjustments made to major taxes and K–12 spending.</p> <p>The ending balance includes the SFEU but excludes the BSA (a rainy day reserve held in a separate fund). The excluded amount is \$10,798.4 million at the end of FY 2018. Adding these amounts to the FY 2018 ending balance, the projected total balance is \$22,700.1 million in FY 2018.</p> <p>The rainy day balance is made up of the Special Fund for Economic Uncertainties and the BSA, however, withdrawals from the BSA are subject to provisions of Proposition 2, 2014.</p> <p>Ending balance includes a reserve for encumbrances of \$1,385 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.</p> <p>Total Revenues: reflect revenues after transfers to the rainy day fund.</p>
Colorado	<p>Adjustments to revenue include money transferred from other funds to the General Fund. Adjustments to expenditures are reversions of appropriations and various accounting adjustments made by the State Controller's office each year. Reflects March 2019 OSPB Forecast.</p>
Connecticut	<p>Net Budget Reserve Fund deposit of \$972.4 million includes \$1,471.3 million transfer due to volatility cap less \$482.9 million deficit and \$16.1 million transfer to retired teachers' health service fund. \$3.4 million in miscellaneous adjustments per Office of State Comptroller's Report. \$134.3M of Fiscal 2018 ending balance carried forward to FY 2019.</p>
Delaware	<p>Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuing fiscal year.</p>
Georgia	<p>Adjustments to Revenues include FY17 agency surplus returned.</p>
Idaho	<p>Revenue adjustments include prior year reversions, reappropriation, and cancelled prior year encumbrances. Expenditures adjustments include transfers to other funds, reappropriations and end-of-year cash adjustments.</p>
Illinois	<p>Total revenues include \$31,003M in state sources, \$4,032M in federal sources, and \$1,908M in transfers in. Revenue adjustments include \$802M in interfund borrowing and fund reallocations, \$195M in budgetary basis transfers adjustments, \$2,500M in backlog borrowing proceeds and \$1,206M in federal match from the paydown of prior year Medicaid liabilities. Expenditure adjustments include \$3,609M in transfers out, \$5,823M in accounts payable at the end of the current FY less \$9,331M in accounts payable at the end of the prior fiscal year.</p>

Indiana	Revenue adjustments include a transfer to the General Fund to assist with the Integrated Tax System, a transfer from the State Tuition Reserve Account, and a transfer from the Rainy Day Fund. Expenditure adjustments include reversions from distributions, capital, and reconciliations; state agency and university line item capital projects; the cost of a 13th check for pension recipients; and transfers to the Rainy Day Fund.
Iowa	Included in expenditure adjustments are transfers from the General Fund to the State's Cash Reserve Fund (\$20.0 million) and the State's Economic Emergency Fund (\$13.0 million). The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutorily set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.
Kansas	\$3.6 million in Prior year released encumbrances shows as revenue.
Kentucky	Revenue includes \$102.6 million in Tobacco Settlement funds+\$8.4m Tobacco Settlement from prior year excess. Adjustments for Revenues includes \$201.5 million that represents appropriation balances carried over from the prior fiscal year, and \$260.5 million from fund transfers into the General Fund. Expenditure adjustments represent continuing appropriations reserve. BRTF balance \$150,491,483 beginning balance -\$56,711,500 appropriated uses = \$93,779,983. Budget bill authority: Of the \$29m FY 18 GF ending balance, \$15,763,250 went to the unfunded pension liability not the General Fund Surplus. \$0 went to BRTF. The remaining \$13,277,100 was budgeted carryforward into FY 19.
Louisiana	Revenues adjustments — Includes \$19.1M in carryforwards, \$6.5M in use of prior year undesignated fund balance Expenditure adjustments — Includes \$6.5M in transfers to DPS License Fees and various funds transfers. \$107.8 million from the prior year surplus will be deposited/appropriated in accordance with the constitution. (\$77.0 million will be deposited into the Budget Stabilization fund and \$30.8 million will be appropriated to the Retirement systems for payments toward the UAL.)
Maine	Revenue and Expenditure adjustments reflect Legislatively authorized transfers. Transfers funds into the Budget Stabilization Fund from unclaimed property and transfers \$2M from the Budget Stabilization Fund to the General Fund, and up to \$55M to a General Fund Reserve account for disallowed costs from the Centers for Medicare and Medicaid Services.
Maryland	Revenue adjustments include \$21.8 million in transfers from tax credit reserves, \$9 million in transfers from the University System of Maryland, and \$4.1 million in excess revenue transfers. Expenditure adjustments include \$46.6 million in deficiency appropriations, \$5.4 million in legislative reductions, \$61 million in mid-year reductions, and \$79.6 million in reversions to the unappropriated General Fund balance.
Massachusetts	General Fund is defined as all budgeted operating funds. Ending balance includes \$371.5 million in reserved balances projected to be spent in the next fiscal year. The Commonwealth of Massachusetts credits federal reimbursements for Medicaid, as well as certain other federal reimbursements, to the General Fund. In the NASBO State Expenditure Survey, these reimbursement funds are shown as "federal funds spending" to conform to the survey definitions. Additionally, in the NASBO State Expenditure Survey, certain interfund transfers are shown as spending in "Other State Funds" but are shown in this presentation as "General Fund" spending to be consistent with the Commonwealth's accounting practices.
Michigan	As of 3/22/19 fiscal year 2018 totals are preliminary, not final. Revenue totals are net of payments to local governments. Adjustments to Revenue: Restatement of beginning balance. Offsetting adjustments made to School Aid Fund beginning balance. Adjustments (Expenditures): \$265 million transfer to Budget Stabilization Fund/Rainy Day Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$1.698 billion. Does not include stadium reserve of \$44.171 million.
Mississippi	Designated portion of ending balance — Reappropriation of funds from FY 2017 to 2018 among various agencies

Missouri	Revenue adjustments include transfers from other funds into the general revenue fund.
Montana	Revenue adjustments reflect prior year revenue activity and expenditure adjustments reflect prior year expenditure activity and adjustments to fund balance as a result of the annual CAFR reconciliation.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. Among others, this includes a \$221 million transfer from the General Fund to the Property Tax Credit Cash Fund. Also included are transfers totaling \$225 million from the Cash Reserve Fund to the General Fund for budget stabilization.
Nevada	Revenue adjustments are restricted revenue, Rainy Day Fund transfer in and Prior Year Reversions. Expenditure adjustments are restricted transfers out, rainy day transfers out and Prior Year account adjustments.
New Hampshire	Expenditure Adjustments: As the result of standalone legislation in FY 2018, \$10 million was authorized to be deposited in the revenue stabilization reserve account (Rainy Day Fund). Additionally, \$6.6 million of general funds was authorized to be deposited in the Public School Infrastructure Fund at year end. Though the General Fund Ending Balance for FY 2018 is labeled as an undesignated fund balance, the legislature passed stand alone legislation obligating over \$ 12.7 million for pay raises; \$10.0 million for infrastructure projects, and another \$ 2.2 million for other initiatives in FY 2019.to be funded with these FY 2018 carry forward funds.
New Jersey	Budget to GAAP adjustments and transfers to other funds
New Mexico	Revenue from reversions, and transfers from other funds to general fund.
North Carolina	Expenditure adjustments include funds for the R&R Reserve, \$64.8M, the Capital Project Reserve \$155.2M, and the Medicaid Transformation Reserve, \$75M.
North Dakota	Revenue adjustments are transfers of \$183.0 million from the tax relief fund, \$124.0 million from the strategic investment and improvements fund and \$70.0 million from other special fund sources, to the general fund.
Ohio	<p>FY 2018 expenditures include expenditures against prior year encumbrances as well as \$80.0 million in transfers out of the GRF. The fiscal 2018 ending balance included funds to support \$371.2 million in open encumbrances. In addition, the ending balance supported \$687.5 million in surplus transfers which occurred in fiscal 2019.</p> <p>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 will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.</p>
Oklahoma	FY-2018 revenue adjustment reflects the change in cash flow reserve for the fiscal year. The expenditure adjustment shows the amount deposited into the Rainy Day Fund at the end of FY-2018.
Oregon	<p>Revenue Adjustments include borrowing costs for Tax Anticipation Notes as well as the anticipated transfer to the Rainy Day Fund.</p> <p>Rainy Day Fund balances are forecasted on a biennial basis I estimated the balance to include the deposit shown in the Revenue Adjustment.</p>
Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).
Rhode Island	Adjustments to revenues reflect a transfer of \$119.1 million to the Budget Reserve Fund offset by a reappropriation total of \$10.3 million from FY 2017.
South Carolina	Revenue Adjustments: Litigation Recovery Account (\$16.2M) & South Carolina Farm Aid Fund (\$4.5M). Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$139.2M) transferred to state agencies. Designated portion of ending balance — Capital Reserve Fund — \$145.1M

South Dakota	The beginning balance of \$7.9 million and adjustment to expenditures reflects the prior year's ending balance that is transferred to the rainy day fund. Adjustments to revenue of \$14.6 million is from one-time receipts. The ending balance of \$16.9 million is cash that is obligated to the Budget Reserve fund the following fiscal year. This \$16.9 million is not included in the total rainy day fund balance of \$165.3 million.
Tennessee	Adjustments (Revenues): \$55.5 million transfer from debt service fund unexpended appropriations; -\$132.0 million transfer to Rainy Day Fund; -\$85.0 million transfer to Highway Fund; -\$296.2 million transfer to dedicated revenue reserves. Total = -\$457.7 million. Adjustments (Expenditures): \$630.9 million transfer to capital outlay projects fund; \$156.9 million transfer to state office buildings and support facilities fund; \$3.5 million transfer to debt service fund; \$1.0 million transfer to reserves for dedicated revenue appropriations; \$284.3 million transfer to reserves for unexpended appropriations. Total = \$1,076.6 million. Ending Balance: \$529.8 million reserve for appropriations 2018–2019. \$610.1 million unappropriated budget surplus at June 30, 2018. Total = \$1,139.9 million
Texas	\$2,768.2M is a transfer to the ESF and State Highway to be allocated equally.
Utah	Expenditure adjustments include \$107.2 million of surplus revenue collections were automatically transferred to rainy day funds and other funds at the end of FY 2018 based on statutory formulas. FY 2018 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, funds that lapsed to General Fund or Education Fund at the end of FY 2017, and other revenue adjustments. \$159.1 million of the \$316.9 million FY 2018 ending balance was designated by the Legislature to be appropriated for one-time items in FY 2019.
Vermont	\$5.2M in adjusted revenues reflect the use of Rainy Day reserve funds to partly address a \$28.8M general fund revenue downgrade forecasted as of July 2017. Subsequent to the general fund revenue downgrade forecasted as of July 2017, and relative to enacted rescissions as a result of the downgrade, actual receipts exceeded forecasted expectations. As a result, \$76.9M of expenditure adjustments reflect a combination of \$26.19M in net contributions to reserve accounts (inclusive of \$5.2M transferred from the Rainy Day reserve to the General Fund), as well as \$50.71M in net transfers to other funds. Specifically, \$76.9M of general fund expenditure adjustments included a \$20.4M transfer to the Education Fund that was carried forward for uses in fiscal year 2019, a \$26.23M transfer to the Vermont Teachers' Retirement Fund in excess of the fiscal year 2018 ADEC, and a \$9.8M transfer to the Education Fund budget stabilization reserve to meet statutory reserve requirements.
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.
West Virginia	Fiscal Year 2018 Beginning balance includes \$285.1 million of Reappropriations, Unappropriated Surplus Balance of \$76.2 million, \$1.0 million of cash balance adjustments, and FY 2017 13th month expenditures of \$35.8 million. Total Revenues show the FY 2018 actual general revenue collections of \$4,254.2 million. Adjustments (Revenue) are prior year redeposits of \$2.6 million and special revenue expirations of \$1.6 million. Total Expenditures include current year general revenue appropriated expenditures of \$4,040.1 million, surplus appropriation expenditures of \$30.5 million, reappropriation expenditures of \$125.7 million, \$-0.3 million of cash adjustments, and \$35.9 million of 31 day prior year expenditures. Adjustment (Expenditures) represent \$38.0 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 2017 surplus. The Ending Balance is mostly the historically carried forward reappropriation from previous fiscal years (estimated amounts that will remain and be reappropriated to the next fiscal year), the estimated 13th month expenditures applicable to the current fiscal year & the any unappropriated surplus balance (estimated) from the current fiscal year.
Wisconsin	Revenue adjustments include Tribal Gaming, \$27.7M; Prior Year Designated Balance, \$52.1M; and Other Revenue, \$528.6M. Expenditure adjustments include Transfers, \$73.3M; Lapses, -\$469.3M; and Compensation Reserves, \$0.3M.
Wyoming	The State of Wyoming budgets on a biennial basis, to arrive at annual figures certain assumptions and estimates are required.

Notes to Table 4: Fiscal 2019 State General Fund, Estimated

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

Alabama Expenditure adjustments include Actual transfers to the ETF Budget Stabilization Fund of \$64.2M and the ETF Advancement & Technology Fund of \$272.3M.

Alaska	<p>Revenues: Spring 2019 Revenue Sources Book (Total Revenue pg 2)</p> <p>Revenue Adjustments: State of Alaska Fiscal Summary — FY19 and FY20 (Part 1)</p> <p>Expenditures: Fiscal Year 2020 Governor Amended Fiscal Summary, line 29</p> <p>Expenditure Adjustments: State of Alaska Fiscal Summary — FY19 and FY20 (lines 28 and 42)</p> <p>Rainy Day Balance: State of Alaska Fiscal Summary FY18 and FY19 (Part 2)</p> <p>Rainy day balance includes any anticipated draws. Ending balance includes multi-year appropriations. The Alaska constitution requires repayment of amounts drawn from the constitutional budget reserve (CBR) through the automatic sweep of certain accounts on the last day of the fiscal year. Historical practice has been to reverse this sweep through legislative appropriations effective on the first day of the following fiscal year. In the FY20 budget the Governor has not proposed a “reverse sweep” and the effect of the sweep has been reflected in the rainy day fund balances listed for FY19 and FY20.</p>
Arizona	<p>\$120.7M in one-time fund transfers into the GF. (\$5M) in one-time IRC conformity costs.</p>
Arkansas	<p>Total available revenue amounts are reported as net of refunds and special dedications/payments. 75% of the ending balance is recommended to create a restricted reserve fund for FY19, and the remaining 25% will be transferred to the Arkansas Highway Transfer Fund.</p>
California	<p>The ending balance includes the SFEU but excludes the BSA and the Safety Net Reserve Fund. The excluded amount is \$13,535.4 million for the BSA and \$900 million for the Safety Net Reserve Fund at the end of FY 2019. Adding these amounts to the FY 2019 ending balance, the projected total balance is \$19,200.8 million in FY 2019.</p> <p>The rainy day balance is made up of the Special Fund for Economic Uncertainties and the BSA, however, withdrawals from the BSA are subject to provisions of Proposition 2, 2014.</p> <p>Ending balance includes a reserve for encumbrances of \$1,385 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.</p> <p>Total Revenues: reflect revenues after transfers to the rainy day fund.</p>
Colorado	<p>Adjustments to revenue include money transferred from other funds to the General Fund. Adjustments to expenditures are reversions of appropriations and various accounting adjustments made by the State Controller’s office each year. Reflects Governor’s final January 31, 2019 budget request</p>
Delaware	<p>FY 2019 General Fund figures are as per December 2018 DEFAC. Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuring fiscal year.</p>
Georgia	<p>General Fund revenues include \$243.2 million for the mid-year adjustment reserve for Education. Georgia is required by its constitution to maintain a balanced report. The fund balances for FY 19 and 20 reflect the Governor’s balanced budget. Georgia does not project future Rainy Day fund balances but expects the reserve to continue to grow in future years. Ending balance includes mid-year adjustment for FY 20 of \$243.2 million for education</p>
Idaho	<p>Revenue adjustments include surplus eliminator transfers, prior year reversion, and reappropriation. Expenditures adjustments include transfers to other funds and reappropriations. Includes updated General Fund revenue forecast not yet adopted by Legislature</p>
Illinois	<p>Total revenue increases are attributed to growth in income and sales tax receipts. Total revenues include Includes \$32,135M state sources, \$3,220M federal, and \$2,055M transfers in. Estimated revenue adjustments include \$250M in interfund borrowing from other state funds, \$700M in Treasurer investment borrowing, \$600M in backlog borrowing bonds, and \$166M in federal match from the paydown of prior year Medicaid liabilities. Estimated expenditure adjustments include \$3,865M in statutory transfers out, \$381M for liabilities from retroactive AFSCME step increases, \$92M in supplemental appropriations needed to fulfill prior year obligations, \$6,950M in accounts payable at the end of the current fiscal year, less \$5,823M in accounts payable at the end of the prior fiscal year.</p>

Indiana	Revenue adjustments include a transfer to the General Fund to assist with the Integrated Tax System, a transfer from the State Tuition Reserve Account, and a one-time deposit of gaming license transfer fees. Expenditure adjustments include reversions from distributions, capital, and reconciliations; reversions from prior year Medicaid appropriations; state agency and university line item capital projects; the cost of a 13th check for pension recipients; a one-time appropriation for the Indiana Biosciences Research Institute; and transfers to the Rainy Day Fund.
Iowa	Total Revenues are as estimated by the December 2018 REC, also included in revenue adjustments is \$71.0 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutorily set maximum amounts. Total Expenditures include a negative \$5.4 million for total adjustments made to standing unlimited appropriations estimates and \$144.4 million of recommended supplemental appropriations for FY2019. The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutorily set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.
Kansas	(\$267.6M) Governor's recommended changed to approved SGF transfers. Mainly consists of paying back internal borrowing.
Kentucky	Above amounts include adjustments from the 2019 Regular Session of the General Assembly. Revenue includes \$119.5 million in Tobacco Settlement funds plus \$192.3 million tax law changes (HB 487 2018RS). Adjustments for Revenues includes \$18.9 million that represents appropriation balances carried over from the prior fiscal year and \$303.6 million from fund transfers into the General Fund. Expenditure adjustments represent continuing appropriations reserve. BRTF beginning balance \$93.8m + direct appropriation of \$33,455,100-addl HB268 2019RS spend of \$290,000=\$126,945,100. (Enacted was \$41.5m (\$8m beg bal + \$33.5m direct appropriation)
Louisiana	Revenues adjustments — Includes \$63.7M in carryforwards, \$63.0M in use of prior year undesignated fun balance and \$53.3M transfer of funds Expenditure adjustments — None FY19 numbers are budgeted and not actuals.
Maine	Revenue and Expenditure adjustments reflect Legislatively authorized transfers.
Maryland	The total revenue estimate includes a \$200 million General Fund transfer for future education expenses. Revenue adjustments include \$49.8 million due to a Medicaid Settlement and \$23.3 million in transfers from tax credit reserves. Expenditure adjustments represent \$53 million in deficiency appropriations and \$35 million in reversions to the unappropriated General Fund Balance.
Massachusetts	Data as of 2/28/19; General Fund is defined as all budgeted operating funds. Ending balance includes \$102.3 million in reserved balances projected to be spent in the next fiscal year. The Commonwealth of Massachusetts credits federal reimbursements for Medicaid, as well as certain other federal reimbursements, to the General Fund. In the NASBO State Expenditure Survey, these reimbursement funds are shown as "federal funds spending" to conform to the survey definitions. Additionally, in the NASBO State Expenditure Survey, certain interfund transfers are shown as spending in "Other State Funds" but are shown in this presentation as "General Fund" spending to be consistent with the Commonwealth's accounting practices.
Michigan	Revenue totals are net of payments to local governments. Adjustments (Expenditures): \$100 million transfer to Budget Stabilization Fund/Rainy Day Fund, \$50 million transfer to Talent Investment Fund, \$15 million transfer to Flint Reserve Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.075 billion. Does not include stadium reserve of \$49.595 million.
Mississippi	Designated portion of ending balance — Reappropriation of funds from FY 2018 to 2019 among various agencies
Missouri	Revenue adjustments include transfers from other funds into the general revenue fund.

Nebraska	Revenue adjustments are transfers between the General Fund and other funds. Among others, this includes a \$221 million transfer from the General Fund to the Property Tax Credit Cash Fund, as well as a \$62 million Transfer to the Cash Reserve for Revenues in excess of the Certified Forecast for FY 2018. Also included are transfers totaling \$48 million from the Cash Reserve Fund to the General Fund for budget stabilization. Expenditure adjustments include a net \$252.5 million reserved for authorized reappropriations and carryover obligations from FY 2018.
Nevada	Revenue adjustments are restricted revenue, Rainy Day Fund transfers in and Prior Reversions. Expenditure adjustments are restricted transfers out and rainy day transfers out.
New Hampshire	Revenue Adjustments: An increase in Liquor Revenue is expected due to expenditure reductions of \$ 1.8 million, with additional Liquor Revenue moving to the Governor's Commission on Alcohol Abuse totaling \$3.6 million. Additional Dept. of Revenue Audit income is expected, totaling \$3.1 million, as well as a reduction in Restricted Airways Toll income of \$.2 million. Further, the Business Profit Tax (BPT) and Business Enterprise Taxes (BET) anticipate to be impacted by rate reductions in calendar year 2019 that will reduce budgeted tax income by \$11.0 million and \$9.7 million respectively. Additionally, the elimination of the Electricity Consumption tax effective January 1, 2019 will result in a \$3.0 million reduction. Expenditure Adjustments: The Governor's Recommended Budget for FY 2020–2021 includes an estimate of a General Fund year end surplus of \$130.5 million for FY 2019, with \$15.0 million to be moved to the Rainy Day Funds and the balance of \$115.5 million to be utilized as the Capital Infrastructure Revitalization Fund for state and municipal capital improvement projects and grants. (A projected surplus of \$ 63.7 million in the Education Trust Fund is recommended to be utilized in the establishment of a Targeted School Building Aid Reserve Fund.)
New Jersey	Transfers to other funds and estimated lapses
New Mexico	Adjustments are net of reversions and transfers from other funds.
New York	The Rainy Day reserve is expected to increase by \$250 million after a planned deposit from the General Fund, fiscal conditions permitting.
North Carolina	Expenditure adjustment includes funds transferred to Budget Stabilization Reserve (Savings Reserve), \$221.5M, and Medicaid Transformation Reserve, \$135M.
North Dakota	Revenue adjustments are transfers of \$124.0 million from the strategic investment and improvements fund, \$300 million transfer from the legacy fund and \$70.0 million from other special fund sources, to the general fund. Expenditure adjustments include a potential \$312.2 million transfer to the budget stabilization fund.
Ohio	<p>FY 2019 expenditures include estimated ending year encumbrances and \$761.6 million in transfers out of the GRF. The estimated ending balance would include cash to support \$679.1 million in surplus transfers which would occur in fiscal 2020.</p> <p>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 will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.</p>
Oklahoma	The revenue adjustment for FY-2019 is the change in cash flow reserve. The expenditure adjustment of \$359.7 million is an estimated amount that may be deposited into the Rainy Day Fund if General Revenue Fund collections meet the amounts projected for the State Board of Equalization meeting held in December of 2018. We are unable to calculate a final Rainy Day Fund balance at this time since only projected revenue collections are available.
Oregon	<p>Revenue Adjustments include borrowing costs for Tax Anticipation Notes</p> <p>Rainy Day Fund balances are forecasted on a biennial basis. This matches the Office of Economic Analysis Estimate.</p>
Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).

Rhode Island	Adjustments to revenues reflect a transfer of \$121.9 million to the Budget Reserve Fund offset by a reappropriation total of \$10.1 million from FY 2018.
South Carolina	Revenue Adjustments: Litigation Recovery Account (\$4M); FY2017–18 Capital Reserve Fund Lapse (\$0.3M). Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$145.1M) transferred to state agencies. Designated portion of ending balance — Capital Reserve Fund — \$151.6M
South Dakota	The beginning balance of \$16.9 million and adjustment to expenditures reflects the prior year's ending balance that is transferred to the rainy day fund. Adjustments to revenue of \$9.7 million is from one-time receipts.
Tennessee	Adjustments (Revenues): \$45.2 million transfer from debt service fund unexpended appropriations; -\$20.5 million transfer to Highway Fund; -\$75.0 million transfer to Rainy Day Fund. Total = -\$50.3 million. Adjustments (Expenditures): \$260.4 million transfer to capital outlay projects fund; \$16.3 million transfer to state office buildings and support facilities fund; \$3.7 million transfer to debt service fund; \$1.0 million transfer to reserves for dedicated revenue appropriations. Total = \$281.4 million. Ending Balance: \$804.6 million unappropriated budget surplus at June 30, 2019
Texas	End of year adjustments made by the Comptroller account for the difference between the ending balance of FY 2018 to the beginning balance of FY 2019. \$2,799.21M is a transfer to the ESF and State Highway to be allocated equally. Total general fund revenue was impacted due to a constitutional dedication of a portion of sales tax collected by the state to be reallocated from the general fund to the State Highway Fund to address infrastructure needs.
Utah	FY 2019 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, and other revenue adjustments.
Vermont	<p>The fiscal year 2019 estimate is based on the current version of the Legislature's Budget Adjustment bill. The Budget Adjustment has been reviewed, amended, and voted on by both chambers, but has yet to be presented to the Governor for his consideration. As currently constructed, the expenditures adjustments include using fiscal year 2019 surplus revenue to pay-in-full a \$22.2M interfund loan from the General Fund to the Retired Teachers' Health and Medical Benefits fund (OPEB), as well as to make an additional contribution of \$10.3M above the Actuarially Determined Employer Contribution to the Vermont Teachers' Retirement Fund. \$9.8M in remaining surplus revenues would be placed in a temporary reserve to be considered in conjunction with the Legislature's fiscal year 2020 budget deliberations.</p> <p>The Fall 2018 survey included an explanation for the year-over-year decrease in budgeted General Fund for fiscal year 2019. This was the result of the Legislature's restructuring of the Education Fund revenue sources. This restructuring resulted in a decrease of -\$301.2M in the annual transfer of General Funds to the Education Fund. In lieu of the annual transfer of General Funds to the Education Fund, 100% of Sales and Use and 25% of Meals and Rooms taxes will be deposited directly into the Education Fund, which were previously attributed to the General Fund. As part of the fiscal year 2019 Budget Adjustment bill which has not yet been enacted, \$277.6M of the State Health Care Resources Fund ongoing revenue sources will be recognized as General Fund Revenue, and this shift in recognition of revenue sources accounts for the upward change in fiscal year 2019 General Fund revenue as compared to what was reported in the Fall 2018 survey.</p>
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.
West Virginia	Total Revenue is the official estimate for FY 2019 Total General Revenue collections. Total Expenditures are FY 2019 general revenue appropriations of \$4,381.9 million, FY 2019 surplus appropriations of \$13.8 million, and estimated 13th month expenditures of \$42.9 million. Adjustment (Expenditures) represents the \$18 million transferred in August 2018 to the Rainy Day Fund from 1/2 of the FY 2018 surplus. The Ending Balance is mostly the historically carried forward reappropriation amounts that will remain and be reappropriated to the next fiscal year, the 13th month expenditures from the previous fiscal year & any unappropriated surplus balance. Due to FY 2019 revenue exceeding estimate due to energy sector increases, the FY 2019 official estimate of revenue was increased by \$142 million and again by \$25.9 million during the 2019 Legislative Session.
Wisconsin	Revenue adjustments include Tribal Gaming, \$26.1M; and Other Revenue, \$473.7M. Expenditure adjustments include Transfers, \$41.6M; Lapses, -\$705.4M; Biennial Spend Ahead, -\$1.1M; and Compensation Reserves, \$52.1M. There is no official estimate for the rainy day fund (Budget Stabilization Fund).
Wyoming	The State of Wyoming budgets on a biennial basis, to arrive at annual figures certain assumptions and estimates are required.

Notes to Table 5: Fiscal 2020 State General Fund, Recommended

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

Alabama	Expenditure adjustments include estimated transfers to the ETF Budget Stabilization Fund of \$66.5M and the ETF Advancement & Technology Fund of \$288.9M.
Alaska	Revenues: Spring 2019 Revenue Sources Book (Total Revenue pg 2)) Revenue Adjustments: State of Alaska Fiscal Summary — FY19 and FY20 (Part 1) Expenditures: Fiscal Year 2020 Governor Amended Fiscal Summary, line 29 Expenditure Adjustments: State of Alaska Fiscal Summary — FY19 and FY20 (lines 28 and 42) Rainy Day Balance: State of Alaska Fiscal Summary FY18 and FY19 (Part 2) Rainy day balance includes any anticipated draws. Ending balance includes multi-year appropriations. The Alaska constitution requires repayment of amounts drawn from the constitutional budget reserve (CBR) through the automatic sweep of certain accounts on the last day of the fiscal year. Historical practice has been to reverse this sweep through legislative appropriations effective on the first day of the following fiscal year. In the FY20 budget the Governor has not proposed a “reverse sweep” and the effect of the sweep has been reflected in the rainy day fund balances listed for FY19 and FY20.
Arizona	\$100.8M in one-time fund transfers into the GF. (\$0.2M) in ongoing diversions of liquor license fees from GF to other funds.
Arkansas	Total available revenue amounts are reported as net of refunds and special dedications/payments.
California	The ending balance includes the SFEU but excludes the BSA and the Safety Net Reserve Fund 2/. The excluded amount is \$15,302.4 million for the BSA and \$900 million for the Safety Net Reserve Fund at the end of FY 2020. Adding these amounts to the FY 2020 ending balance, the projected total balance is \$19,394.3 million in FY 2020. The rainy day balance is made up of the Special Fund for Economic Uncertainties and the BSA, however, withdrawals from the BSA are subject to provisions of Proposition 2, 2014. Ending balance includes a reserve for encumbrances of \$1,385 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance. Total Revenues: reflect revenues after transfers to the rainy day fund.
Colorado	Adjustments to revenue include money transferred from other funds to the General Fund. Adjustments to expenditures are reversions of appropriations and various accounting adjustments made by the State Controller’s office each year.
Delaware	FY 2020 General Fund figures are as per December 2018 DEFAC as adjusted by Governor’s recommended revenue adjustments. Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuing fiscal year.
Georgia	Georgia is required by its constitution to maintain a balanced report. The fund balances for FY 19 and 20 reflect the Governor’s balanced budget. Georgia does not project future Rainy Day fund balances but expects the reserve to continue to grow in future years.
Idaho	Total revenues include impact of proposed executive branch legislation. Total expenditures include maintenance expenditures and enhancements. Expenditure adjustments include transfers to other funds. Includes impact of proposed executive branch legislation with an impact on revenue. Beginning balance does not equal ending balance on question 2 as revenue and expenditure adjustments were recommended by the Governor

Illinois	Total revenues include Includes \$33,533M state sources + \$3,547M federal + \$1,823M transfers in. Estimated expenditures adjustment includes \$2,731M in transfers out, \$6,565M in accounts payable at the end of the current fiscal year less \$6,950M in accounts payable at the end of the prior fiscal year.
Indiana	Expenditure adjustments include reversions from distributions, capital, and reconciliations and state agency and university line item capital projects.
Iowa	Total Revenues are as estimated by the December 2018 REC. This is offset by a negative \$2.3 million for the recommended expansion of Workforce Housing tax credits for rural areas. Revenue adjustments are \$93.3 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutorily set maximum amounts. The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutorily set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.
Kentucky	Fiscal 2020 figures are based on the fiscal 2019–2020 enacted budget with enacted revisions. Amounts include adjustments from the 2019 Regular Session of the General Assembly. Revenue includes \$118.1 million in Tobacco Settlement funds plus \$197.5 million tax law changes (HB 487 2018RS) less \$21,885,000 tax law changes (HB354 2019 RS) less \$3.6 million tax las changes (HB 458 2019RS). Adjustments for Revenues includes \$52.3 million that represents appropriation balances carried over from the prior fiscal year and \$315.9 million from fund transfers into the General Fund. Expenditure adjustments represent continuing appropriations reserve. BTRF beginning balance \$126,945,100+ direct appropriation of \$177,013,000 (\$195,064,500 - addl spend down HB268 amendments of 14,451,500 less \$3,600,000 HB 346 revenue loss) = \$303,958,100. (Enacted was \$236.6m (\$41.5m beg bal + \$195.1m direct appropriation)
Maine	Revenue and Expenditure adjustments reflect Legislatively authorized transfers.
Maryland	The total revenue estimate includes a \$94.6 million transfer to the Revenue Stabilization Account for the phase in of revenue volatility collar. Revenue adjustments include \$37.5 million in transfers from tax credit reserves, \$158 million transfer from the Revenue Stabilization Account (Rainy Day Fund), and \$9 million in other adjustments. Expenditure adjustments represent \$35 million in reversions to the unappropriated General Fund balance.
Massachusetts	Data as of 2/28/19; General Fund is defined as all budgeted operating funds. Ending balance includes \$78.0 million in reserved balances projected to be spent in the next fiscal year. The Commonwealth of Massachusetts credits federal reimbursements for Medicaid, as well as certain other federal reimbursements, to the General Fund. In the NASBO State Expenditure Survey, these reimbursement funds are shown as “federal funds spending” to conform to the survey definitions. Additionally, in the NASBO State Expenditure Survey, certain interfund transfers are shown as spending in “Other State Funds” but are shown in this presentation as “General Fund” spending to be consistent with the Commonwealth’s accounting practices.
Michigan	Revenue totals are net of payments to local governments. Adjustments (Expenditures): \$150 million transfer to Budget Stabilization Fund/Rainy Day Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.075 billion. Does not include stadium reserve of \$62.297 million.
Missouri	Revenue adjustments include transfers from other funds into the general revenue fund.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. Among others, this includes a \$221 million transfer, Plus an additional \$51 million transfer from the General Fund to the Property Tax Credit Cash Fund. There are also \$48.5 million in usual and customary transfers into the General Fund from Other Cash Funds. Expenditure adjustments include \$5 million reserved for potential deficit appropriations and \$143 million in recommended additional expenditures related to State Aid (\$96.8 million), Agency Operations (\$29.8 million), and Capital Construction (\$16.4 million).
Nevada	Revenue adjustment are restricted revenue and Prior Year Reversions. Expenditure adjustments are restricted transfers out and rainy day transfers out.

New Hampshire	Revenue Adjustments: The Governor's Recommended Budget for FY 2020–2021 merges the Education Trust Fund (ETF) with the General Fund. This action represents a base revenue increase from funding sources previously dedicated to the ETF, which in FY 2019 are anticipated to be \$961.4 million. The dedication of all net lottery revenues to fund education reduces the overall general fund appropriation need for FY 2020 by \$96.0 million. Expenditure Adjustments: The Governor's Recommended Budget for FY 2020 estimates a General Fund year end FY 2020 surplus of \$39.5 million; with \$37.6 million of that amount to be moved to the Capital Infrastructure Revitalization Fund. The remaining balance of \$1.9 million is to be carried forward to FY 2021 as the undesignated fund balance.
New Jersey	Transfers to other funds
New Mexico	Adjustments are net of reversions and transfers from other funds.
New York	The Rainy Day reserve is expected to increase by an additional \$238 million in FY 2020 after a planned deposit from the General Fund, fiscal conditions permitting.
North Carolina	Governor's recommended budget recommends using unexpended appropriations from the previous fiscal year to be re-appropriated for large Information Technology projects and capital facility repairs.
North Dakota	Revenue adjustment is a transfer of \$70.0 million from other special fund sources, to the general fund.
Ohio	<p>FY 2020 expenditures include \$805.9 million in estimated transfers out of the GRF. The estimated ending balance would include cash to support \$364.2 million in surplus transfers which would occur in fiscal 2021.</p> <p>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 will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.</p>
Oklahoma	These amounts reflect the budgetary proposal submitted by Governor Stitt to the Legislature on the opening day of Session, February 4, 2019. The estimated balance of \$207.1 million was unavailable to him at the time his budget was created since only actual, certified cash from prior years may be included in budgetary estimates for the up-coming fiscal year. That amount remains a part of the end-of-year balance estimated above. The Governor's budget is built upon estimates presented to the State Board of Equalization in December 2018. Of the available revenues, Governor Stitt chose to leave \$400.1 million unallocated in his budget and has proposed directing all monies above mandated increases be retained in state savings accounts.
Oregon	<p>Expenditures for Fiscal Year 2020 are based on the Governor's Recommended Budget for the 2019–21 Biennium.</p> <p>Revenue Adjustments include borrowing costs for Tax Anticipation Notes as well as the anticipated transfer to the Rainy Day Fund.</p> <p>Rainy Day Fund balances are forecasted on a biennial basis I estimated the balance to include the deposit shown in the Revenue Adjustment.</p>
Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).
Rhode Island	Adjustments to revenues reflect a transfer of \$126.1 million to the Budget Reserve Fund.
South Carolina	Revenue Adjustments: none Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$151.6M) transferred to state agencies. Designated portion of ending balance — Capital Reserve Fund — \$162.5M
Tennessee	Adjustments (Revenues): -\$225.0 million transfer to Rainy Day Fund. Adjustments (Expenditures): \$383.3 million transfer to capital outlay projects fund; \$38.1 million transfer to state office buildings and support facilities fund; \$3.7 million transfer to debt service fund; \$1.0 million transfer to reserves for dedicated revenue appropriations. Total = \$426.1 million. Ending Balance: \$0.7 million undesignated balance.

Texas	<p>\$2,912.2M is a transfer to the ESF and State Highway to be allocated equally. \$211M will be transferred for the Texas Tomorrow Fund.</p> <p>Total Expenditures reflect House recommended GR appropriations.</p>
Utah	<p>FY 2020 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, and other revenue adjustments.</p>
Vermont	<p>\$3.7M in expenditure adjustments includes a \$1.1M contribution to the General Fund Budget Stabilization reserve, and \$2.63M in transfers to other funds.</p>
Virginia	<p>Fiscal 2020 figures in this survey are based on the enacted fiscal 2019–2020 biennial budget, with the Governor’s proposed revisions/supplemental items.</p>
Washington	<p>Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.</p>
West Virginia	<p>Total Revenue is the official estimate for FY 2020 Total General Revenue collections. The Governor’s introduced budget recommended FY 2020 General Revenue appropriations of \$4,675.3 million. Actual FY 2020 General Revenue appropriations are \$4,635.8 million.</p>
Wisconsin	<p>Revenue adjustments include Tribal Gaming, \$27.4M; and Other Revenue, \$497.6M. Expenditure adjustments include Transfers, \$10.0M; Lapses, -\$415.5M; and Compensation Reserves, \$24.9M. There is no official estimate for the rainy day fund (Budget Stabilization Fund).</p>
Wyoming	<p>The State of Wyoming budgets on a biennial basis, to arrive at annual figures certain assumptions and estimates are required. Fiscal 2020 figures in this survey are based on the enacted fiscal 2019–2020 biennial budget, with the Governor’s proposed revisions/supplemental items.</p>

Notes to Table 6: General Fund Nominal Percentage Expenditure Change, Fiscal 2018 to Fiscal 2020

New Hampshire	<p>The large percentage increase in general fund spending in fiscal 2020 is due to the Governor’s Recommended Budget for FY 2020–2021 merging the Education Trust Fund (ETF) with the General Fund. This action represents a base revenue increase from funding sources previously dedicated to the ETF, which in FY 2019 are anticipated to be \$961.4 million.</p>
Vermont	<p>The Fall 2018 survey included an explanation for the year-over-year decrease in budgeted General Fund for fiscal year 2019. This was the result of the Legislature’s restructuring of the Education Fund revenue sources. This restructuring resulted in a decrease of -\$301.2M in the annual transfer of General Funds to the Education Fund. In lieu of the annual transfer of General Funds to the Education Fund, 100% of Sales and Use and 25% of Meals and Rooms taxes will be deposited directly into the Education Fund, which were previously attributed to the General Fund. As part of the fiscal year 2019 Budget Adjustment bill which has not yet been enacted, \$277.6M of the State Health Care Resources Fund ongoing revenue sources will be recognized as General Fund Revenue, and this shift in recognition of revenue sources accounts for the upward change in fiscal year 2019 General Fund revenue as compared to what was reported in the Fall 2018 survey.</p>

Notes to Table 8: Fiscal 2019 Mid-Year Program Area Adjustments by Dollar Value

Alabama	<p>Medicaid State GF carryover; Corrections — reversion reappropriated; All other — Supplemental Appropriations, Reversion Reappropriations for all other agencies other than those listed above.</p>
Alaska	<p>All Other — Primarily funds related to earthquake disaster relief and fund capitalizations. Public safety was exempt from cuts.</p>
California	<p>All Other Includes: \$0.6 billion for wildfires; -\$0.3 billion Health Care Adjustments; \$0.1 billion emergency response activities.</p>

Colorado	<p>K–12 — Reflects actual data concerning local tax revenues and student enrollment. The decline in expenditures was mostly due to higher local property taxes for school reducing the state’s share of K–12 funding, and lower-than-anticipated pupil counts and at-risk pupil counts. Total funds reduction was -77.1M. Public Assistance — Department of Human Services budget includes:</p> <ul style="list-style-type: none"> — an increase of \$4,908,507 total funds, including \$2,356,084 General Fund, to provide funding to increase county foster care and kinship care provider rates consistent with provider rate increases for congregate care providers — \$3,197,244 General Fund in FY 2018–19 for a 7.0 percent increase in Early Intervention (EI) services caseload growth, service coordination costs, and direct services provided by independent contractors. — \$918,060 General Fund to maintain physician coverage at the Colorado Mental Health Institutes, which need additional funding to cover the higher costs of services that are being provided through outside staffing agencies due to seven physician vacancies that the Department has been unable to fill. — a decrease of \$708,742 total funds, including a decrease of \$800,248 General Fund, based on a variety of factors in the Division of Youth Services (Corrections). Medicaid — Most of this increase is attributable to changes in Medical Services Premiums resulting from continued growth in Community-Based Long-term Care and Long-Term Care costs due to growth in the elderly and disabled populations. Total funds increase was \$237.1M including state GF, federal funds and state cash funds. Corrections — Related to correctional officer overtime pay.
Georgia	<p>Spending changes in other state funds partially or fully offset general fund changes in the “All Other” category. More appropriations were recommended in the Governors AFY 2019 Budget Report due to extensive damages sustained in the state from Hurricane Michael.</p>
Hawaii	<p>Debt service, employee retirement and health benefits were exempt from cuts. Some restrictions may have been released. K–12 education includes public libraries.</p>
Indiana	<p>All Other — This includes \$68.3M of reductions to other programs such as General Government, Economic Development, Public Safety, and Conservation and Environment, and it includes a \$200M increase for the Department of Child Services.</p>
Kansas	<p>K–12 education — End pilot program; Medicaid — new caseload estimates; Corrections — prison medical contract</p>
Kentucky	<p>Additional \$290,000 to Kentucky State University state match for Federal Land Grant</p>
Louisiana	<p>Spending changes represent state general fund carryforward from FY18</p>
Michigan	<p>K–12 education, Public Assistance, and Medicaid changes are partially or fully offset by spending changes in other state funds. K–12 education: Includes \$50 million for MiReconnect. Public Assistance: Combination of caseload and non-caseload adjustments. Medicaid: Adjustments to Medicaid (traditional and expansion) for caseload and non-caseload costs. Corrections: Expand vocational programs. Transportation: Funding for Soo Locks infrastructure, Mackinac straits mapping and oversight, railroad study. All Other: Includes \$120 million for Drinking Water Protection & Innovation program; \$100 million rainy day deposit; \$43 million deposit to military retirement provision system; \$25 million school safety grants; \$20 million child welfare; \$13.5 million statewide broadband, \$113 million in enhancement grants; \$118 million restricted funds for health costs offsetting general fund.</p>
Montana	<p>Spending reductions were made to FY 2019 in November 2017’s special session. Actual revenue rebounded in FY 2018, and the FY 2019 spending reductions were effectively restored back to the original budgeted amounts per SB 9, MT Special Session.</p>
Nebraska	<p>K–12 education: reduction in school aid formula. All Other: Reductions in reappropriation carryover from FY 2018 into FY 2019 plus an increase in Homestead Exemption</p>
North Carolina	<p>Mid-year spending actions reflect Hurricane Florence Recovery Efforts (From Rainy Day Fund)</p>
Oregon	<p>K–12 education: This is primarily the result of a \$71.0 million fund shift from General Fund to Lottery Fund during the 2018 Legislative session for K–12 Funding. Medicaid: Used \$16.7 Insurers Tax to offset GF, needed \$11 mil more GF due to Fraud Prevention Revenue Reduction</p>
Rhode Island	<p>All Other — Increased spending primarily in the Child Welfare and Developmental Disability programs</p>

Vermont	The Governor recommended a “mid-year” adjustment to appropriations for fiscal year 2019, known as Vermont’s Budget Adjustment Act. However, as of April 9, 2019, the Budget Adjustment bill is not enacted. Accordingly, per the definitions for this survey, Vermont is not including these adjustments in its spring survey response.
Washington	All Other — Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.
West Virginia	All Other — \$15.3M Appointed Counsel Fees for Public Defenders; \$6M Veterans Nursing Home; \$200K Veterans Transportation; \$10M Civil Contingent Fund; \$105M PEIA Rainy Day Fund; \$298K Grant Management Software; \$421K SIRN
Wyoming	Increase due to Supplemental Budget.

Notes to Table 9: Fiscal 2019 Recommended Program Area Adjustments by Dollar Value

Alabama	Appropriations from the Education Trust Fund are capped according to the recurring revenues over the last 15 years. Appropriations are split between K–12 and Higher Ed using a pre-determined percentage. Medicaid — Carried Forward \$106m from 2018 into 2019. Corrections — Increases due to pay raises and benefit increases. Additional Mental Health FTE’s, renovations, and vehicle replacements. Transportation does not receive a General Fund appropriation
Arkansas	One of the Governor’s initiatives is to increase teachers’ salaries by a minimum of \$4,000 over the next 4 fiscal years.
California	The revised 2019 fiscal estimate of Medi-Cal expenditures as of 2020 Governor’s Budget decreased \$2.3 billion General Fund compared to 2018 Budget Act. The revised 2019 fiscal estimate for Medi-Cal expenditures, net of CHIP, is \$20.7 billion General Fund. The 2020 fiscal estimate for Governor’s Budget (\$22.3 billion) reflects an increase of \$1.7 billion General Fund compared to the revised 2019 fiscal estimate. The \$49.0 million decrease reflected is net of several California department’s estimated Medicaid expenditures, including DHCS. All Other Includes: \$1.3 billion for housing programs and \$0.8 billion for various health programs.
Colorado	Difference shown is the final Governor Polis January 31, 2019 FY 2019–20 request over Governor’s FY 2018–19 revised request. All other includes all other department operating budgets (88.7M), capital construction, controlled maintenance, TABOR refund, a reduction in a transfer for Transportation spending (per statute), transfers to other funds, and various forecast adjustments.
Connecticut	K–12 — Netted out is a reallocation of funding off budget but not reduced. Higher ed — Salary increases for collective bargaining units. The Medicaid appropriation in the Department of Social Services (DSS) is “net funded” while other Medicaid expenditures remain gross funded
Florida	Higher Education general fund reduction partially or fully offset by lottery funds.
Hawaii	K–12 education includes public libraries.
Idaho	Calculated from original appropriation, supplementals are not reflected in FY 2019 number
Illinois	All Other — Various program areas including Government Services, Public Safety, Human Services, and Pensions
Indiana	All Other — Includes increases for General Government, Public Safety, Conservation and Environment, and Economic Development.
Kansas	Medicaid — FMAP increase
Kentucky	Additional debt service in the amount of \$1,060,500 for \$25M Economic Development Bond Program; \$2,121,000 debt service for Tourism-Dept of Parks \$50 million bond authority

Maryland	Gambling revenue is partially devoted to education, with an estimated \$528.8 million going towards K–12 funding in fiscal 2020. Public assistance reduction is fully offset by net changes in Public Assistance including TANF, Refugee Assistance, and various State Special Funds
Massachusetts	<p>The Commonwealth of Massachusetts credits federal reimbursements for Medicaid, as well as certain other federal reimbursements, to the General Fund. In the NASBO State Expenditure Survey, these reimbursement funds are shown as “federal funds spending” to conform to the survey definitions. Additionally, in the NASBO State Expenditure Survey, certain interfund transfers are shown as spending in “Other State Funds” but are shown in this presentation as “General Fund” spending to be consistent with the Commonwealth’s accounting practices.</p> <p>Recommended appropriation changes are compared to fiscal 2019 spending projections as of January 23, 2019, when the Governor filed the fiscal 2020 budget recommendation.</p>
Michigan	For this comparison, FY 2020 Executive Recommendation is compared to revised FY 2019 appropriation, net of transfers to other funds (rainy day fund, infrastructure fund, Flint reserve fund.) Higher education, Public assistance, and Transportation changes are partially or fully offset by spending changes in other state funds. K–12 education: \$677.8m increase funded with School Aid Fund (SAF) revenue. Higher Education: Replace SAF with 100% GF (\$500.1 million fund shift; \$45.7 million increase.) Public Assistance: Combination of caseload and non-caseload adjustments. Medicaid: Combination of caseload and non-caseload adjustments. Corrections: Ongoing and one-time funds to support aging prisoners; One-time funds for new custody staff training (\$10.5 million), tether replacement (\$4.6 million.) Transportation: Remove one-time GF, replace with user fee/fuel tax revenue to support roads. All other: Net negative because of removal of large amount of one-time funding in FY 19. Executive Budget recommends 3% increase for universities, community colleges, revenue sharing to local gov’ts, and \$150m deposit to BSF/rainy day fund.
Missouri	Medicaid — Legislature funded part of FY 19 costs through a supplemental. Public assistance reduction partially or fully offset by spending change in other state fund.
Nebraska	K–12 education: State aid and other. Public Assistance: Base Adjustment to align Approp to Expend. All Other: \$16.4 mil capital construction, \$5.7 mil public safety, \$2.9 mil Children & Youth Initiatives, \$4.6 mil Homestead exemption; \$1 mil net Retirement plan changes
New Hampshire	K–12 education: The Governor’s Recommended Budget for FY 2020 merges the Education Trust Fund with the General Fund. This action targets Lottery Revenue of \$96.0 million to fund education removing it from the General Fund / ETF pool. Higher education: Additional funding for the Community College System of NH. All Other: The Governor’s Recommended Budget for FY 2020 utilizes funds identified as anomalous to FY 2019 and FY 2020 and appropriates \$153.1 million to create a Capital Infrastructure Revitalization Fund. These funds are earmarked for 51 initiatives to be utilized and administered by executive branch departments.
New York	The appropriations changes for Fiscal Year 2020 were provided using cash estimates per 2019 Enacted and 2020 Executive Budget, as amended Financial Plans. All Other includes Economic Development, Children and Family Services, Mental Hygiene, Local Government Assistance and transfers in support of Capital Projects and Debt Service
North Carolina	Spending changes are compared to the Base FY 2019 Budget
North Dakota	Medicaid — Includes CHIP. Transportation did not receive general fund money in 2017–19 and no general fund money is recommended for 2019–21
Rhode Island	All Other — Includes increase in state aid for Motor Vehicle Excise Tax phase-out; additional debt service on recent and planned debt issuances; parks/beaches initiative
Utah	Higher education — Excluding funding for construction, funding increased \$112 million. Corrections — Includes \$110 million for prison relocation
Vermont	The fiscal year 2020 change in General Fund appropriations is as compared to the fiscal year 2019 anticipated effect of the fiscal year 2019 Budget Adjustment bill. As of April 9, 2019, the Budget Adjustment bill is not enacted.

Notes to Table 10: Strategies Used to Manage Budget, Fiscal 2019 and Table 11: Strategies Used to Manage Budget, Fiscal 2020 Recommended

Alaska	ATB Cuts: 50% travel reduction. Proposing to cap salaries for Exempt positions and increase pay increments from every 2 years to 4 years. Reduction to K–12 aid and property tax exemptions.
Arkansas	The Governor has proposed a transformation plan to consolidate the state's 42 state agencies to 15 cabinet-level agencies.
California	OPEB—The state and its employees will continue equally prefunding retiree health benefits for active employees, as collectively bargained with the state's 21 bargaining units.
Colorado	In FY 2018–19, the statutory reserve was increased from 6.5% to 7.25% (SB 18-276). The Governor's request for FY 2019–20 included a request to increase the statutorily required General Fund reserve from 7.25% to 8.00%.
Connecticut	Cuts to State Employee Benefits — Active and retiree healthcare; Pension COLA reduction; Other — Teacher's retirement changes, debt service reductions
Illinois	Pension/OPEB — Reamortizing the pension debt to a new target date of fiscal year 2052 and making the pension acceleration program permanent. Other Fund Transfers — \$36M in proposed suspended statutory transfers out
Indiana	Agencies were instructed to use their FY 2018 spending levels as their base budget request for FY 2020
Kansas	Governor's recommendation includes reamortization of Kansas Public Retirement System unfunded liability to lower and stabilize employer contributions.
Kentucky	permissive budget bill language related to layoffs, furloughs, and reduced hours; personnel policy for the elimination of vacant positions
Maine	Prior year balances in other funds transferred to the General Fund. Recommended Fiscal 2020 includes the prior-year General Fund balance. Increase in the attrition rate from 1.6% to 5%. Update the base year for hospital tax from 2014 to 2016.
Maryland	Transfer \$158 million to from the Revenue Stabilization Account the General Fund.
Massachusetts	Other — Caps on Full-Time Equivalent employees are in effect for executive branch agencies
Michigan	Approximately \$101 million in GF reductions were made to enable funding of priority programs. Rainy Day Fund — \$100M in FY 2019 supplemental; \$150M recommended in FY 2020 Executive Budget. FY 2019 Supplemental Rec: \$50M transfer to Talent Investment Fund, \$15M transfer to Flint Reserve Fund.
Nebraska	Across-the-Board reduction recommendations represent 2% reduction in fiscal 2019 of General Fund appropriations. Exemptions were provided for K–12 formula aid, special education aid, health and human services aid programs, 24 hour care facilities, corrections, child protective service operations, property tax relief aid programs, defined benefit retirement plan contributions and Constitutional Officers' salaries. State Energy Office merged with Department of Environmental Quality. In FY 2019, current law provides for a \$48 million transfer from the Cash Reserve Fund to the General Fund. Prior-year fund balance — includes lapsing of unexpended balance of prior year appropriations to the unreserved General Fund balance. Other — IT Consolidation; Process Improvement Strategies to identify Cost Savings
New Mexico	Consolidation of HR positions into central agency (ongoing process)
New York	The Executive Budget proposes accelerating the payments of \$500 million of prior year pension obligations in FY 2020 if fiscal conditions permit. The FY 2020 accelerated pension amortization payments will reduce loans with above market interest rates and generate interest savings. In FY 2019 and FY 2020, there are planned deposits to the Rainy Day Reserve from the General Fund in the amount of \$250 million and \$238 million, respectively. Additionally, there is a planned use of \$155 million reserved for labor agreements to fund increases driven by collective bargaining settlements. Other gap closing measures in FY 2019 include the use of revenue generated from monetary settlements for operations (\$336 million) and, in FY 2020, savings related to capital projects and debt management.

North Carolina	The General Assembly moved \$754.7M from Rainy Day Reserve to help with Hurricane Florence Recovery efforts. Funds were placed in another Statewide Reserve and are transferred to the General Fund upon request from State Agencies operating recovery programs.
North Dakota	Increasing employer/employee contributions to the retirement fund by 1 percent each. IT unification — moving all information technology related FTE positions under the umbrella of the Information Technology Department. Transfer \$312 million from the 2017–19 ending general fund balance and \$315 million from the Strategic Investment and Improvements fund to the Budget Stabilization fund. Transfers \$70 million from other special fund sources to the general fund
Ohio	Other — Authorized to shift a payroll from fiscal 2020 to fiscal 2019 if sufficient cash exists to cover this expense.
Oklahoma	Other — Governor Stitt requested the Legislature to recapture and reappropriate \$30M previously appropriated to the State Health Department which was determined to be unnecessary.
Oregon	The Governor’s Budget included an across the board (very few agencies were held harmless) to eliminate inflation for most Services and Supplies budget categories. Targeted reductions were made to agencies to bring the state’s budget into balance. The Governor’s Budget included targeted eliminations of vacant positions within various agencies.
Rhode Island	Enacted FY 19 Budget included several statewide savings initiatives that were allocated to all agencies as part of the revised budget. Reduce Local Aid — PILOT program reduced/Motor Vehicle Excise Tax Phase-out revised to smooth out costs. Moved Elderly Affairs and Veterans Affairs from Human Services to Executive Office of Health and Human Services. Transfers of surplus balances from quasi-public agencies. Prior year balance increased by approximately \$20 million from enacted budget estimate
South Dakota	The practice of the Governor and the Legislature is to maintain a rainy day fund balance equal to 10% of the next year’s General Appropriations Act. Any funds used from the rainy day fund are in excess of the 10% reserve.
Tennessee	Other — Agency reserves, base budget reductions, and carryforwards
Vermont	Pension/OPEB: An early payment-in-full of an interfund loan from the General Fund (noted above) and planned additional contributions to the Vermont State Teachers’ Retirement System above the ADEC, as well as to the Vermont State Employees’ Retirement System’s OPEB fund, will help mitigate forecasted contributions in out-years.
Virginia	Other — K-12: Supplant GF with Lottery Reforecast Totals and Enrollment Projection Updates

STATE REVENUE DEVELOPMENTS

CHAPTER TWO

Overview

General fund revenue collections are forecasted to grow 4.0 percent in fiscal 2020 based on governors' recommended budgets, with most states expecting revenue growth between 0 and 5 percent. This follows more modest 2.7 percent growth estimated for fiscal 2019 over fiscal 2018 levels. Most states saw significant improvement in revenue conditions in fiscal 2018, with gains led by unusually high personal income tax payments from non-withholding income sources along with continued job growth, a stronger performance of the stock market, a modest recovery in most energy-producing states following steep oil and gas price declines, and, in a few states, enacted tax increases.

Based on revenue estimates at the time of data collection, general fund revenues for fiscal 2019 were estimated to total \$877.8 billion, 2.8 percent above the pre-recession peak level after adjusting for inflation. On a state-by-state basis, 29 states reported general fund revenues in fiscal 2019 that exceed their fiscal 2008 inflation-adjusted levels. Compared to original budget projections, general fund revenues in fiscal 2019 were coming in above target in most states. Broken down by tax type, sales and use taxes, personal income taxes, and corporate income taxes were all exceeding the 50-state totals from the original budget forecasts. Data were collected prior to April personal income tax collections, when many states saw a significant positive "April surprise," so final revenue totals for fiscal 2019 will likely end the year higher than estimated in this survey.

Governors' budgets for fiscal 2020 included a number of revenue actions. Compared to recent years, this survey shows a somewhat greater amount of significant tax increases proposed, with a number of the recommended tax hikes aimed at supporting key priorities like education and transportation. A few governors also proposed conformity changes to their tax codes in response to the federal *Tax Cuts and Jobs Act*. Most states addressed the federal tax changes in their 2018 legislative sessions.

General Fund Revenue Trends

Fiscal 2020 Forecasts. According to governors' recommended budgets for fiscal 2020, general fund revenues are expected to total \$912.5 billion, a 4.0 percent increase compared to fiscal 2019 estimated revenues. The median growth rate is somewhat lower at 3.1 percent. A majority of states (34) forecast revenue growth between 0 and 5 percent for fiscal 2020. (See [Tables 13 and 14](#))

Fiscal 2019 Estimated Collections. According to current estimates as of the time of data collection, fiscal 2019 general fund revenues totaled \$877.8 billion, representing 2.7 percent growth over fiscal 2018 actual collections of \$854.8 billion, and \$9.4 billion more than the revenues enacted for fiscal 2019 budgets. This reflects the fact that most states have made upward revisions to their revenue estimates compared to original budget projections. These figures also predate April tax collections, when many states saw a significant positive "April surprise," so final revenue totals for fiscal 2019 may still edge higher by the end of the year.

Fiscal 2018 Actual Collections. States saw robust revenue growth in fiscal 2018, due in large part to a significant uptick in personal income tax collections from non-withholding sources. Total general fund revenues grew 7.0 percent in fiscal 2018 compared to fiscal 2017 actual levels. This marked the fastest annual growth rate in state general fund revenues observed in NASBO's *Fiscal Survey of States* since fiscal 2013. The median growth rate in revenues for fiscal 2018 was lower at 5.8 percent.

Revenue Growth Since the Great Recession. In the wake of the last recession, general fund revenues dropped to \$609.9 billion in fiscal 2010 from \$680.2 billion in fiscal 2008. Estimated general fund revenues for fiscal 2019 are up \$197.5 billion, or 29 percent, over collections in fiscal 2008 (without adjusting for inflation). Adjusting for inflation, aggregate general fund revenues in fiscal 2019 are roughly 2.8 percent above fiscal 2008 levels.⁴ Since that time, most of the revenue gains have been due to the gradual strengthening of the economy. On a nominal basis, general fund revenue collections increased by 7.0

⁴ The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

percent in fiscal 2018, 2.4 percent in fiscal 2017, 1.8 percent in fiscal 2016, 5.0 in fiscal 2015, 1.9 percent in fiscal 2014, 7.1 percent in fiscal 2013, 2.9 percent in fiscal 2012, and 6.6 percent in fiscal 2011. (See Table 12)

State by State Variation. For fiscal 2020, a majority of states (34) are forecasting revenue growth between 0 and 5 percent. Nine states are predicting growth between 5 and 10 percent, and just two states are forecasting growth greater than 10 percent, including New Hampshire due to the restructuring of its Education Trust Fund, and North Dakota, which tends to have uneven revenue growth in the first versus second years of its biennium due to its budgeting practices. The remaining five states are forecasting general fund revenue growth of 0 percent or less based on governors' fiscal 2020 budgets compared to what they collected in fiscal 2019. The distribution of revenue growth rates across the states is similar for fiscal 2019 based on current estimates, with 31 states estimating general fund revenue growth between 0 and 5 percent, nine states estimating growth between 5 and 10 percent, two states with growth greater than 10 percent, and eight states with growth of 0 percent or below. (See Tables 13 and 14)

Comparing General Fund Collections to Budget Projections

Fiscal 2019 from All Sources. General fund collections from all revenue sources including sales, personal income, corporate income, gaming and other revenues at the time of data collection were coming in above budget projections in 28 states in fiscal 2019, on target in 10 states, and below forecast in 12 states. However, these figures predate April tax collections, when a number of states saw strong revenue collections and a positive "April surprise" in their personal income tax collections. This is attributable to continued growth in the economy, gains in non-withholding sources, a timing shift resulting in lower estimated payments made in December that led to higher tax return payments in April (due to the new limit on federal deductibility of state and local taxes), and higher first quarter estimated payments.

States revisited their budgeted fiscal 2019 revenue forecasts when planning for their fiscal 2020 budgets. Compared to recent revenue projection revisions for fiscal 2019, 11 states are reporting that collections to date are coming in above projections, 29 states reported that collections are on target, and ten states see collections coming in below most recent projections. As the fiscal year is ongoing, these comparisons are subject to change as updated revenue collection figures become available. NASBO's *Fall 2019 Fiscal Survey of States* will provide a final update on how general fund revenues performed in fiscal 2019 compared to budgeted estimates. (See Table 15)

Fiscal 2019 Collections Compared to Forecast by Revenue Type. General fund collections from sales taxes in fiscal 2019 are considerably overperforming budget forecasts by 1.4 percent, with 32 states coming in higher than budgeted, four lower, and nine on target, based on current estimates at the time of data collection. The solid growth in sales taxes may be attributed in part to both improved consumption and a partial year expectation of additional uptick in online and remote sales tax collections resulting from the *Wayfair* decision and ensuing state actions. Personal income tax collections were coming in slightly above projections in the aggregate, 0.6 percent higher than budgeted, with general fund revenues from personal income taxes coming in above budget in 24 states, on target in eight states, and below budget in 10 states. Corporate income tax collections, a more volatile general fund revenue source, were exceeding original budget projections by 4.9 percent, with 30 states reporting collections above forecast, nine states coming in below forecast, and six states on target. (See Tables 16 and 17)

General Fund Collection Growth By Revenue Type

In fiscal 2020 recommended budgets, personal income taxes account for 45.1 percent of all forecasted general fund revenues, sales and use taxes for 30.9 percent, corporate income taxes for 6.1 percent, gaming and lottery revenues for 1.0 percent, and all other revenues at 16.9 percent. All five general fund revenue categories are estimated to have increased in the

aggregate in fiscal 2019 over fiscal 2018 levels, and all are forecasted to continue increasing this year, according to fiscal 2020 enacted budgets.

Sales & Use Taxes. For the 45 states with a broad-based sales tax, plus Montana, which reported a small amount of revenue in the sales and use tax category, general fund sales and use tax collections grew an estimated 3.5 percent in fiscal 2019 over fiscal 2018 levels, and are projected to grow 4.8 percent in fiscal 2020. The median growth rate for fiscal 2020 is somewhat lower at 4.1 percent. Many more states included additional growth in fiscal 2020 sales and use tax revenue estimates due to their new requirements on online sellers and marketplace facilitators to collect and remit taxes on remote sales.

Personal Income Taxes. Forty-one states collect a broad-based personal income tax, while New Hampshire and Tennessee collect taxes on interest and dividends only. Total personal income tax collections increased by an estimated 1.5 percent in fiscal 2019 compared to fiscal 2018, with a higher median growth rate of 3.2 percent; actual personal income tax growth in fiscal 2019 is expected to be higher based on April tax return results. This slower growth rate is somewhat attributable to the elevated revenue totals in fiscal 2018, when general fund revenues grew 10.5 percent in the aggregate, in part due to one-time factors. Personal income taxes are forecasted to grow 4.2 percent in fiscal 2020.

Corporate Income Taxes. For the 45 states that collect a corporate income tax, total corporate income tax revenues increased 8.3 percent in fiscal 2019, or 7.3 percent on a median basis. This increase comes after 7.8 percent growth in fiscal 2018, which was preceded by two consecutive years of declines. The aggregate growth rate for corporate income tax forecasts in fiscal 2020 is 4.0 percent, with a median growth rate of 2.4 percent.

Gaming/Lottery Revenues. Twenty-eight states reported on general fund collections from these sources (some states direct revenues in this category, particularly from lotteries, into special funds, which are not reported on in this survey). The median increase in gaming and lottery revenue in fiscal 2019 is estimated at 3.0 percent, with aggregate growth of 4.4 percent. In governors' recommended budgets for fiscal 2020, the median growth rate forecasted is 1.0 percent, with aggregate growth of 1.9 percent projected.

Other General Fund Revenues. All other general fund revenues may include collections from cigarette and other excise taxes, severance taxes, insurance taxes, fees, and other sources. Some states may also use this category to record revenue transfers in and out of the general fund from/to other state fund sources. All other general fund revenues increased 2.2 percent in fiscal 2019 according to estimates and are projected to increase by 1.2 percent in fiscal 2020. On a median basis, all other general fund revenues increased 0.7 percent in fiscal 2019 and are expected to increase by 1.0 percent in fiscal 2020. *(See Tables 18 and 19)*

TABLE 12

**State Nominal and Real Annual Revenue Increases,
Fiscal 1979 to Fiscal 2020**

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2020	4.0%	
2019	2.7	0.4%
2018	7.0	3.6
2017	2.4	0.7
2016	1.8	2.0
2015	5.0	3.8
2014	1.9	-1.1
2013	7.1	4.3
2012	2.9	0.2
2011	6.6	3.4
2010	-2.5	-3.5
2009	-8.0	-10.1
2008	3.9	-1.6
2007	5.4	0.4
2006	9.1	3.6
2005	7.8	1.8
2004	5.4	1.7
2003	8.0	5.0
2002	-6.8	-9.1
2001	4.5	0.1
2000	2.0	-2.7
1999	19.2	16.3
1998	-0.6	-2.6
1997	5.0	2.7
1996	5.9	3.6
1995	5.3	2.3
1994	5.5	3.3
1993	5.8	2.4
1992	6.6	3.3
1991	4.7	0.2
1990	3.4	-1.5
1989	10.1	6.1
1988	6.5	2.4
1987	8.2	4.5
1986	6.3	2.8
1985	8.8	4.6
1984	12.5	8.4
1983	3.7	-1.8
1982	12.6	5.3
1981	7.9	-3.2
1980	9.8	-0.7
1979	7.8	0.9
1979-2019 average	5.4%	1.5%

Notes: The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on April 26, 2019), is used for state revenues in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2018 figures are based on the change from fiscal 2017 actuals to fiscal 2018 actuals. Fiscal 2019 figures are based on the change from fiscal 2018 actuals to fiscal 2019 estimates. Fiscal 2020 figures are based on the change from fiscal 2019 estimates to fiscal 2020 recommended figures.

TABLE 13
State General Fund Revenue Growth,
Fiscal 2018 to Fiscal 2020

Revenue Growth	Fiscal 2018 (Actual)	Fiscal 2019 (Estimated)	Fiscal 2020 (Recommended)
0% or less	1	8	5
> 0.0% but < 5.0%	22	31	34
> 5.0% but < 10.0%	19	9	9
10% or more	8	2	2

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

TABLE 14

General Fund Nominal Percentage Revenue Change, Fiscal 2018 to Fiscal 2020

State	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	6.7%	3.3%	2.5%
Alaska	78.2	11.2	-14.2
Arizona	5.6	6.9	3.4
Arkansas	2.7	3.6	2.0
California	9.6	4.1	4.1
Colorado	14.1	4.7	7.6
Connecticut	2.8	7.0	-0.6
Delaware	9.5	1.7	2.0
Florida	6.7	4.7	2.4
Georgia	4.5	4.1	3.2
Hawaii	4.2	1.8	3.5
Idaho	8.2	0.5	8.1
Illinois	21.8	1.3	4.0
Indiana	2.2	3.5	2.7
Iowa	4.1	4.7	1.8
Kansas	15.0	0.2	3.6
Kentucky	3.5	3.4	2.3
Louisiana	4.7	-4.6	3.1
Maine	2.6	7.5	3.3
Maryland	4.0	4.0	3.1
Massachusetts	6.4	3.8	1.9
Michigan	6.8	-3.2	3.6
Minnesota	4.5	2.8	5.9
Mississippi	0.7	-0.7	2.6
Missouri	5.0	1.7	2.0
Montana	12.3	1.2	5.8
Nebraska	7.1	5.1	1.8
Nevada	3.6	5.8	3.8
New Hampshire	6.2	2.3	54.7
New Jersey	5.9	4.4	2.9
New Mexico	6.5	8.8	-2.1
New York	6.8	-1.1	6.3
North Carolina	4.2	2.2	3.1
North Dakota	24.9	-9.8	34.4
Ohio	-5.0	2.5	2.7
Oklahoma	15.8	16.4	3.7
Oregon	4.1	1.9	-2.1
Pennsylvania	9.2	-0.5	2.6
Rhode Island	6.1	2.6	4.7
South Carolina	7.1	4.1	3.1
South Dakota	3.4	3.0	3.3
Tennessee	3.1	0.8	2.5
Texas	9.3	-0.8	5.3
Utah	11.3	7.4	4.7
Vermont*	3.9	-0.5	0.8
Virginia	1.3	4.7	8.7
Washington	10.0	2.3	9.2
West Virginia	1.3	8.5	1.5
Wisconsin	4.0	3.3	6.7
Wyoming	0.4	7.0	0.0
Average	7.0%	2.7%	4.0%
Median	5.8%	3.3%	3.1%

See Notes to Table 14 on page 56. **Fiscal 2018 reflects changes from fiscal 2017 revenues (actual) to fiscal 2018 revenues (actual). Fiscal 2019 reflects changes from fiscal 2018 revenues (actual) to fiscal 2019 revenues (estimated). Fiscal 2020 reflects changes from fiscal 2019 revenues (estimated) to fiscal 2020 revenues (recommended).

TABLE 15

General Fund Revenue Collections Compared to Projections, Fiscal 2019

State	Original Fiscal 2019			Most Recent Fiscal 2019		
	On Target	Lower	Higher	On Target	Lower	Higher
Alabama	X			X		
Alaska			X		X	
Arizona			X		X	
Arkansas	X			X		
California		X			X	
Colorado			X	X		
Connecticut			X	X		
Delaware			X	X		
Florida			X			X
Georgia	X			X		
Hawaii		X			X	
Idaho		X			X	
Illinois			X	X		
Indiana		X		X		
Iowa			X	X		
Kansas			X	X		
Kentucky	X			X		
Louisiana	X			X		
Maine			X			X
Maryland		X			X	
Massachusetts			X	X		
Michigan*	X			X		
Minnesota	X			X		
Mississippi			X			X
Missouri		X			X	
Montana		X		X		
Nebraska		X			X	
Nevada			X			X
New Hampshire			X			X
New Jersey		X		X		
New Mexico			X	X		
New York		X		X		
North Carolina	X			X		
North Dakota			X			X
Ohio*			X			X
Oklahoma			X			X
Oregon			X	X		
Pennsylvania			X			X
Rhode Island		X			X	
South Carolina			X	X		
South Dakota	X			X		
Tennessee			X	X		
Texas			X	X		
Utah			X	X		
Vermont			X	X		
Virginia		X			X	
Washington			X			X
West Virginia			X			X
Wisconsin	X			X		
Wyoming			X	X		
Total	10	12	28	29	10	11

NOTES: Original Fiscal 2019 reflects whether general fund revenues from all sources thus far have come in higher, lower, or on target with original projections used to adopt the Fiscal 2019 budget. Most Recent Fiscal 2019 reflects whether collections thus far have been coming in higher, lower, or on target with a state's most recent projection. The date of a state's most recent projection referenced in this survey varies by state, ranging from June 2018 to March 2019. *See Notes to Table 15 on page 56.

TABLE 16

Fiscal 2019 General Fund Revenue Collections Compared With Projections Used in Adopting Fiscal 2019 Budgets (Millions)**

State	Sales Tax		Personal Income Tax		Corporate Income Tax	
	Original Estimate	Current Estimate	Original Estimate	Current Estimate	Original Estimate	Current Estimate
Alabama	\$2,537	\$2,595	\$3,868	\$3,938	\$387	\$408
Alaska	N/A	N/A	N/A	N/A	145	120
Arizona	4,946	5,049	4,593	4,801	324	420
Arkansas	2,488	2,497	3,429	3,445	482	408
California	26,674	26,244	95,011	97,720	12,259	12,330
Colorado	3,665	3,706	7,782	7,995	780	858
Connecticut	4,154	4,291	9,108	9,723	920	1,010
Delaware	N/A	N/A	1,486	1,490	93	103
Florida	25,188	25,323	N/A	N/A	2,395	2,618
Georgia	6,093	6,209	12,026	12,304	1,068	1,078
Hawaii	3,508	3,504	2,609	2,559	106	108
Idaho	1,545	1,576	1,759	1,774	199	223
Illinois	8,181	8,229	18,095	18,251	2,068	2,207
Indiana	7,886	7,922	5,997	6,037	975	773
Iowa	3,039	3,147	4,985	4,911	649	625
Kansas	2,766	2,765	3,334	3,550	351	420
Kentucky	3,908	3,908	4,531	4,531	773	773
Louisiana	3,919	3,919	3,413	3,413	300	300
Maine	1,530	1,561	1,619	1,680	204	210
Maryland	4,751	4,863	9,874	10,003	926	958
Massachusetts	6,720	6,720	16,632	16,732	2,339	2,339
Michigan	1,446	1,566	7,040	7,040	273	474
Minnesota	5,745	5,671	12,436	11,947	1,343	1,519
Mississippi	2,375	2,375	1,853	1,853	531	531
Missouri	2,204	2,227	6,588	6,723	331	315
Montana	60	59	1,404	1,342	172	146
Nebraska	1,685	1,700	2,471	2,495	308	335
Nevada	1,262	1,269	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	418	426
New Jersey	11,026	10,919	15,978	15,563	3,257	4,059
New Mexico	2,334	2,653	1,409	1,564	110	110
New York	14,114	14,240	50,410	47,583	5,626	5,396
North Carolina	7,625	7,743	12,705	12,651	710	698
North Dakota	883	937	359	409	48	63
Ohio	10,209	10,551	8,368	8,600	1,524	1,565
Oklahoma	2,764	2,901	2,542	2,555	166	232
Oregon	N/A	N/A	8,904	8,964	521	671
Pennsylvania	10,753	11,103	14,174	13,855	2,926	3,342
Rhode Island	1,101	1,111	1,386	1,381	178	155
South Carolina	3,146	3,162	3,862	3,976	314	360
South Dakota	1,029	1,035	N/A	N/A	N/A	N/A
Tennessee	8,481	8,532	104	102	2,280	2,328
Texas	28,700	29,613	N/A	N/A	N/A	N/A
Utah	2,102	2,130	4,128	4,161	365	546
Vermont	N/A	N/A	847	825	90	123
Virginia	3,547	3,591	14,184	15,045	912	911
Washington	11,322	11,773	N/A	N/A	N/A	N/A
West Virginia	1,316	1,358	2,004	2,054	142	156
Wisconsin	5,635	5,715	8,715	8,640	932	990
Wyoming	444	499	N/A	N/A	N/A	N/A
Total	\$264,804	\$268,460	\$392,022	\$394,183	\$51,219	\$53,737

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, original estimates reflect the figures used when the fiscal 2019 budget was adopted, and current estimates reflect most current revenue forecast for fiscal 2019.

Table 16 continues on next page.

TABLE 16 (CONTINUED)

Fiscal 2019 General Fund Revenue Collections Compared With Projections Used in Adopting Fiscal 2019 Budgets (Millions)**

State	Gaming/Lottery Revenue		All Other Revenue	
	Original Estimate	Current Estimate	Original Estimate	Current Estimate
Alabama	N/A	N/A	\$2,093	\$2,096
Alaska	\$11	\$12	2,103	2,471
Arizona	90	90	468	483
Arkansas	68	69	476	499
California	N/A	N/A	-612	652
Colorado	1	0	375	376
Connecticut	556	602	4,271	3,848
Delaware	210	211	2,578	2,685
Florida	382	326	4,444	4,439
Georgia	N/A	N/A	5,492	5,731
Hawaii	N/A	N/A	1,614	1,614
Idaho	N/A	N/A	166	178
Illinois	999	994	8,077	7,729
Indiana	392	412	932	997
Iowa	86	90	-1,119	-1,044
Kansas	N/A	N/A	551	575
Kentucky	249	249	1,737	1,737
Louisiana	402	402	1,409	1,409
Maine	57	57	258	259
Maryland	527	544	1,686	1,702
Massachusetts	1,195	1,210	17,993	18,478
Michigan	N/A	N/A	1,168	1,136
Minnesota	131	148	3,193	3,449
Mississippi	132	132	765	765
Missouri	N/A	N/A	295	365
Montana	77	73	763	815
Nebraska	N/A	N/A	267	270
Nevada	797	794	2,018	2,163
New Hampshire	N/A	N/A	1,136	1,206
New Jersey	N/A	N/A	6,064	6,894
New Mexico	59	64	2,464	3,199
New York	15	15	2,495	3,424
North Carolina	N/A	N/A	2,891	2,988
North Dakota	11	11	856	853
Ohio	N/A	N/A	13,235	12,552
Oklahoma	158	176	1,666	1,824
Oregon	N/A	N/A	763	788
Pennsylvania	154	150	5,968	5,950
Rhode Island	392	399	942	963
South Carolina	N/A	N/A	914	959
South Dakota	123	124	489	483
Tennessee	352	390	3,527	3,628
Texas	1,247	1,512	24,065	25,545
Utah	N/A	N/A	575	603
Vermont	N/A	N/A	365	680
Virginia	N/A	N/A	1,531	1,504
Washington	N/A	N/A	10,216	9,834
West Virginia	N/A	N/A	978	1,040
Wisconsin	N/A	N/A	1,349	1,329
Wyoming	N/A	N/A	566	690
Total	\$8,872	\$9,256	\$146,515	\$152,812

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, original estimates reflect the figures used when the fiscal 2019 budget was adopted, and current estimates reflect most current revenue forecast for fiscal 2019.

TABLE 17

Fiscal 2019 General Fund Revenue Collections Compared With Projections (Percentage Above or Below)**

State	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming/ Lottery Revenue	All Other Revenue
Alabama	2.3%	1.8%	5.5%	N/A	0.1%
Alaska	N/A	N/A	-17.2	6.4%	17.5
Arizona	2.1	4.5	29.6	0.0	3.2
Arkansas	0.4	0.5	-15.4	1.9	4.9
California	-1.6	2.9	0.6	N/A	-206.5
Colorado	1.1	2.7	10.0	-16.7	0.2
Connecticut	3.3	6.8	9.7	8.1	-9.9
Delaware	N/A	0.2	10.8	0.6	4.1
Florida	0.5	N/A	9.3	-14.8	-0.1
Georgia	1.9	2.3	0.9	N/A	4.3
Hawaii	-0.1	-1.9	1.7	N/A	0.0
Idaho	2.0	0.8	12.4	N/A	6.9
Illinois	0.6	0.9	6.7	-0.5	-4.3
Indiana	0.5	0.7	-20.7	5.0	7.0
Iowa	3.5	-1.5	-3.7	5.2	-6.7
Kansas	-0.1	6.5	19.7	N/A	4.3
Kentucky	0.0	0.0	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0	0.0	0.0
Maine	2.1	3.8	2.7	0.0	0.5
Maryland	2.4	1.3	3.5	3.4	0.9
Massachusetts	0.0	0.6	0.0	1.2	2.7
Michigan	8.3	0.0	73.5	N/A	-2.7
Minnesota	-1.3	-3.9	13.1	13.0	8.0
Mississippi	0.0	0.0	0.0	0.0	0.0
Missouri	1.0	2.0	-5.0	N/A	23.8
Montana	-2.0	-4.5	-15.3	-4.8	6.8
Nebraska	0.9	1.0	8.8	N/A	1.2
Nevada	0.5	N/A	N/A	-0.3	7.2
New Hampshire	N/A	N/A	1.9	N/A	6.2
New Jersey	-1.0	-2.6	24.6	N/A	13.7
New Mexico	13.7	11.0	0.0	8.5	29.9
New York	0.9	-5.6	-4.1	0.0	37.2
North Carolina	1.5	-0.4	-1.6	N/A	3.4
North Dakota	6.2	13.8	33.5	-3.6	-0.3
Ohio	3.4	2.8	2.6	N/A	-5.2
Oklahoma	5.0	0.5	39.9	11.9	9.5
Oregon	N/A	0.7	28.8	N/A	3.3
Pennsylvania	3.3	-2.3	14.2	-2.6	-0.3
Rhode Island	0.9	-0.4	-12.9	2.0	2.2
South Carolina	0.5	3.0	14.7	N/A	4.9
South Dakota	0.6	N/A	N/A	0.6	-1.3
Tennessee	0.6	-1.8	2.1	10.6	2.9
Texas	3.2	N/A	N/A	21.2	6.2
Utah	1.4	0.8	49.8	N/A	5.0
Vermont	N/A	-2.6	36.7	N/A	86.3
Virginia	1.2	6.1	-0.2	N/A	-1.8
Washington	4.0	N/A	N/A	N/A	-3.7
West Virginia	3.2	2.5	9.6	N/A	6.4
Wisconsin	1.4	-0.9	6.2	N/A	-1.5
Wyoming	12.4	N/A	N/A	N/A	21.9
Total	1.4%	0.6%	4.9%	4.3%	4.3%
On target	9	8	6	7	9
Higher	32	24	30	15	31
Lower	4	10	9	6	10

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Figures compare current revenue estimates for fiscal 2019 to the original estimates used when fiscal 2019 budget was adopted.

TABLE 18

Comparison of Tax Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020 (\$ in millions)

State	Sales Tax			Personal Income Tax			Corporate Income Tax		
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	\$2,471	\$2,595	\$2,696	\$3,822	\$3,938	\$4,017	\$386	\$408	\$420
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	120	120	135
Arizona	4,787	5,049	5,289	4,544	4,801	5,009	373	420	427
Arkansas*	2,418	2,497	2,573	3,360	3,445	3,588	407	408	422
California	25,006	26,244	27,424	94,272	97,720	100,547	12,156	12,330	13,125
Colorado*	3,502	3,706	3,966	7,577	7,995	8,598	782	858	984
Connecticut	4,202	4,291	4,670	10,770	9,723	9,667	921	1,010	1,051
Delaware	N/A	N/A	N/A	1,428	1,490	1,584	90	103	107
Florida	24,139	25,323	26,178	N/A	N/A	N/A	2,413	2,618	2,657
Georgia	5,946	6,209	6,525	11,644	12,304	12,754	1,004	1,078	1,260
Hawaii	3,396	3,504	3,633	2,430	2,559	2,631	131	108	126
Idaho	1,490	1,576	1,667	1,828	1,774	1,954	239	223	256
Illinois	7,810	8,229	8,537	17,725	18,251	18,851	2,017	2,207	2,338
Indiana	7,663	7,922	8,116	5,816	6,037	6,249	660	773	790
Iowa*	2,942	3,146	3,388	4,747	4,911	4,838	565	625	637
Kansas	2,748	2,765	2,805	3,374	3,550	3,700	392	420	425
Kentucky*	3,606	3,908	4,069	4,604	4,531	4,675	749	773	771
Louisiana	4,317	3,919	3,920	3,269	3,413	3,518	478	300	400
Maine	1,483	1,561	1,630	1,595	1,680	1,759	186	210	200
Maryland	4,646	4,863	5,026	9,508	10,003	10,527	820	958	965
Massachusetts*	6,454	6,720	7,172	16,240	16,732	17,144	2,392	2,339	2,414
Michigan	1,601	1,566	1,587	7,276	7,040	7,042	382	474	418
Minnesota	5,453	5,671	6,012	11,784	11,947	12,563	1,315	1,519	1,486
Mississippi*	2,340	2,375	2,477	1,827	1,853	1,900	572	531	518
Missouri	2,174	2,227	2,313	6,600	6,722	6,840	300	315	315
Montana	60	59	60	1,298	1,342	1,418	167	146	150
Nebraska	1,603	1,700	1,780	2,361	2,495	2,600	314	335	320
Nevada	1,189	1,269	1,336	N/A	N/A	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A	393	426	491
New Jersey	10,459	10,919	11,318	15,038	15,563	16,639	2,484	4,059	3,510
New Mexico	2,437	2,653	2,716	1,519	1,564	1,605	107	110	156
New York	13,553	14,240	15,084	51,501	47,583	51,770	4,916	5,396	6,163
North Carolina	7,337	7,743	8,156	12,518	12,651	12,892	739	698	687
North Dakota	829	937	942	364	409	409	92	63	49
Ohio*	10,148	10,551	10,872	8,411	8,600	9,179	1,523	1,565	1,608
Oklahoma	2,665	2,901	2,942	2,424	2,555	3,065	234	232	232
Oregon	N/A	N/A	N/A	8,844	8,964	8,931	717	671	582
Pennsylvania	10,381	11,103	11,447	13,399	13,855	14,443	2,879	3,342	3,423
Rhode Island	1,057	1,111	1,181	1,345	1,381	1,428	128	155	162
South Carolina	3,034	3,162	3,294	3,856	3,976	4,110	334	360	352
South Dakota	989	1,035	1,074	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	8,294	8,532	8,879	165	102	69	2,317	2,328	2,394
Texas	30,889	29,613	32,570	N/A	N/A	N/A	N/A	N/A	N/A
Utah	2,019	2,130	2,241	3,999	4,161	4,532	448	546	497
Vermont*	259	N/A	N/A	832	825	853	96	122	98
Virginia	3,462	3,591	3,731	14,106	15,045	15,380	862	910	1,044
Washington	10,925	11,773	12,265	N/A	N/A	N/A	N/A	N/A	N/A
West Virginia	1,247	1,358	1,384	1,920	2,054	2,105	110	156	137
Wisconsin	5,448	5,715	5,992	8,479	8,640	9,242	894	990	1,199
Wyoming	480	499	508	N/A	N/A	N/A	N/A	N/A	N/A
Total***	\$259,356	\$268,460	\$281,447	\$388,417	\$394,183	\$410,629	\$49,604	\$53,737	\$55,901

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. *See Notes to Table 18 on page 56. **Unless otherwise noted, fiscal 2018 figures reflect actual tax collections, fiscal 2019 figures reflect estimated tax collections, and fiscal 2020 figures reflect the estimates based on governors' recommended budgets. ***Totals include state collections by tax type where amounts were provided for all three years.

TABLE 18 (CONTINUED)

Comparison of Tax Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020 (\$ in millions)

State	Gaming/Lottery Revenue			All Other Revenue		
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	N/A	N/A	N/A	\$2,070	\$2,096	\$2,125
Alaska	\$11	\$12	\$13	2,283	2,471	2,073
Arizona	68	90	106	337	483	361
Arkansas*	67	69	72	476	499	466
California	N/A	N/A	N/A	61	652	1,522
Colorado*	N/A	0	0	480	376	372
Connecticut	612	602	584	1,693	3,848	3,393
Delaware	212	211	204	2,663	2,685	2,669
Florida	328	326	345	4,338	4,439	4,535
Georgia	N/A	N/A	N/A	5,726	5,731	5,605
Hawaii	N/A	N/A	N/A	1,703	1,614	1,716
Idaho	N/A	N/A	N/A	175	178	180
Illinois	991	994	1,003	8,400	7,729	8,174
Indiana	432	412	415	1,000	997	1,013
Iowa*	85	90	91	-954	-1,044	-1,087
Kansas	N/A	N/A	N/A	783	575	341
Kentucky*	253	249	256	1,626	1,737	1,716
Louisiana	414	402	409	1,410	1,409	1,493
Maine	62	57	57	261	259	156
Maryland	535	544	535	1,864	1,702	1,569
Massachusetts*	1,154	1,210	1,364	17,580	18,478	18,246
Michigan	N/A	N/A	N/A	1,295	1,136	1,539
Minnesota	141	148	152	3,369	3,449	3,885
Mississippi*	130	132	132	823	765	776
Missouri	N/A	N/A	N/A	395	365	353
Montana	71	73	76	810	815	801
Nebraska	N/A	N/A	N/A	290	270	190
Nevada	711	794	805	2,118	2,163	2,203
New Hampshire	N/A	N/A	N/A	1,202	1,206	2,033
New Jersey	N/A	N/A	N/A	7,870	6,894	7,047
New Mexico	62	64	64	2,756	3,199	2,893
New York	15	15	15	1,435	3,424	2,043
North Carolina	N/A	N/A	N/A	2,971	2,988	3,096
North Dakota	10	11	10	1,052	853	1,052
Ohio*	N/A	N/A	N/A	12,389	12,552	12,519
Oklahoma	162	176	176	1,121	1,824	1,558
Oregon	N/A	N/A	N/A	670	788	686
Pennsylvania	123	150	174	7,785	5,950	5,809
Rhode Island	365	399	430	1,015	963	997
South Carolina	N/A	N/A	N/A	898	959	959
South Dakota	119	124	127	485	483	495
Tennessee*	343	390	388	3,736	3,628	3,622
Texas	1,385	1,512	1,431	24,881	25,545	25,656
Utah	N/A	N/A	N/A	572	603	639
Vermont*	N/A	N/A	N/A	453	680	690
Virginia	N/A	N/A	N/A	1,451	1,504	1,534
Washington	N/A	N/A	N/A	10,438	9,834	11,820
West Virginia	N/A	N/A	N/A	969	1,040	1,050
Wisconsin	N/A	N/A	N/A	1,323	1,329	1,361
Wyoming	N/A	N/A	N/A	913	690	710
Total***	\$8,863	\$9,256	\$9,434	\$149,463	\$152,812	\$154,656

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. *See Notes to Table 18 on page 56. **Unless otherwise noted, fiscal 2018 figures reflect actual tax collections, fiscal 2019 figures reflect estimated tax collections, and fiscal 2020 figures reflect the estimates based on governors' recommended budgets. ***Totals include state collections by tax type where amounts were provided for all three years.

TABLE 19

Percentage Change in Tax Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020

State	Sales Tax			Personal Income Tax			Corporate Income Tax		
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	6.2%	5.0%	3.9%	8.9%	3.0%	2.0%	1.2%	5.7%	3.0%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	38.3	0.3	12.5
Arizona	6.2	5.5	4.8	10.0	5.7	4.3	1.3	12.6	1.7
Arkansas	3.4	3.3	3.0	4.5	2.5	4.2	-6.2	0.3	3.5
California	0.5	4.9	4.5	13.2	3.7	2.9	10.3	1.4	6.4
Colorado	13.5	5.8	7.0	12.1	5.5	7.5	53.5	9.7	14.8
Connecticut	0.2	2.1	8.8	19.8	-9.7	-0.6	-11.3	9.7	4.1
Delaware	N/A	N/A	N/A	7.1	4.3	6.3	-25.9	14.6	3.8
Florida	5.2	4.9	3.4	N/A	N/A	N/A	2.0	8.5	1.5
Georgia	4.0	4.4	5.1	6.1	5.7	3.7	3.3	7.3	16.8
Hawaii	4.8	3.2	3.7	16.0	5.3	2.8	-24.5	-17.7	16.3
Idaho	7.8	5.7	5.8	10.7	-3.0	10.2	11.5	-6.5	14.8
Illinois	-2.9	5.4	3.7	29.7	3.0	3.3	51.4	9.4	5.9
Indiana	2.3	3.4	2.4	7.0	3.8	3.5	-32.5	17.1	2.2
Iowa	4.6	7.0	7.7	6.2	3.5	-1.5	2.8	10.6	2.0
Kansas	2.9	0.6	1.4	46.5	5.2	4.2	20.7	7.0	1.2
Kentucky	3.5	8.4	4.1	4.8	-1.6	3.2	50.7	3.2	-0.3
Louisiana	0.8	-9.2	0.0	10.4	4.4	3.1	23.0	-37.2	33.3
Maine	6.1	5.3	4.4	4.7	5.3	4.7	6.0	13.0	-4.6
Maryland	2.3	4.7	3.4	5.4	5.2	5.2	3.1	16.8	0.8
Massachusetts	3.9	4.1	6.7	10.6	3.0	2.5	8.9	-2.2	3.2
Michigan	9.9	-2.2	1.3	10.3	-3.3	0.0	-9.0	24.0	-11.8
Minnesota	0.9	4.0	6.0	7.8	1.4	5.2	9.1	15.5	-2.2
Mississippi	2.2	1.5	4.3	2.5	1.5	2.5	1.5	-7.2	-2.5
Missouri	2.9	2.4	3.9	5.8	1.9	1.8	8.7	4.8	0.1
Montana	-0.2	-0.8	2.4	11.1	3.4	5.7	32.6	-12.9	3.4
Nebraska	3.5	6.1	4.7	6.1	5.7	4.2	18.6	6.8	-4.5
Nevada	4.9	6.7	5.2	N/A	N/A	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A	-1.9	8.3	15.3
New Jersey	9.0	4.4	3.7	7.7	3.5	6.9	6.0	63.4	-13.5
New Mexico	18.2	8.8	2.4	10.0	3.0	2.6	51.9	3.2	41.4
New York	4.5	5.1	5.9	8.3	-7.6	8.8	3.3	9.8	14.2
North Carolina	4.8	5.5	5.3	4.6	1.1	1.9	-1.2	-5.5	-1.6
North Dakota	4.6	13.0	0.5	16.5	12.2	0.1	33.4	-31.3	-22.2
Ohio	-4.4	4.0	3.0	10.6	2.2	6.7	17.0	2.7	2.8
Oklahoma	16.2	8.9	1.4	14.3	5.4	20.0	47.7	-0.8	0.1
Oregon	N/A	N/A	N/A	4.8	1.4	-0.4	17.9	-6.3	-13.3
Pennsylvania	3.8	7.0	3.1	5.8	3.4	4.2	4.6	16.1	2.4
Rhode Island	5.9	5.1	6.3	8.2	2.6	3.4	7.0	21.2	4.8
South Carolina	4.8	4.2	4.2	7.7	3.1	3.4	23.8	7.9	-2.1
South Dakota	4.0	4.7	3.7	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee	2.9	2.9	4.1	0.1	-38.2	-32.2	-0.5	0.5	2.8
Texas	7.3	-4.1	10.0	N/A	N/A	N/A	N/A	N/A	N/A
Utah	8.7	5.5	5.2	10.8	4.0	8.9	36.4	22.0	-9.1
Vermont	5.6	N/A	N/A	10.0	-0.9	3.4	0.7	27.1	-20.4
Virginia	3.1	3.7	3.9	8.1	6.7	2.2	4.2	5.6	14.6
Washington	7.8	7.8	4.2	N/A	N/A	N/A	N/A	N/A	N/A
West Virginia	-2.6	8.9	1.9	4.1	7.0	2.5	-5.3	41.4	-12.0
Wisconsin	4.3	4.9	4.8	5.5	1.9	7.0	-2.9	10.8	21.1
Wyoming	17.9	4.0	1.8	N/A	N/A	N/A	N/A	N/A	N/A
Total	4.1%	3.5%	4.8%	10.5%	1.5%	4.2%	7.8%	8.3%	4.0%
Median	4.4%	4.9%	4.1%	8.1%	3.2%	3.4%	6.0%	7.3%	2.4%

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, fiscal 2018 figures reflect actual tax collections, fiscal 2019 figures reflect estimated tax collections, and fiscal 2020 figures reflect the estimates based on governors' recommended budgets.

TABLE 19 (CONTINUED)

Percentage Change in Tax Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020

State	Gaming/Lottery Revenue			All Other Revenue		
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020
Alabama	N/A	N/A	N/A	2.1%	1.3%	1.4%
Alaska	2.8%	25.5%	12.9%	81.6	8.2	-16.1
Arizona	-13.1	32.0	17.0	-19.4	43.0	-25.2
Arkansas	6.4	3.3	4.2	-5.3	4.7	-6.5
California	N/A	N/A	N/A	-92.6	971.8	133.4
Colorado	N/A	N/A	0.0	4.4	-21.8	-1.0
Connecticut	2.3	-1.8	-2.9	-41.3	127.3	-11.8
Delaware	3.4	-0.4	-3.4	13.1	0.8	-0.6
Florida	136.7	-0.8	6.0	-3.4	2.3	2.2
Georgia	N/A	N/A	N/A	2.2	0.1	-2.2
Hawaii	N/A	N/A	N/A	-7.6	-5.2	6.3
Idaho	N/A	N/A	N/A	-13.0	1.8	1.1
Illinois	0.1	0.3	0.9	33.2	-8.0	5.8
Indiana	0.1	-4.8	0.9	6.5	-0.3	1.6
Iowa	8.0	6.7	1.1	17.3	9.5	4.1
Kansas	N/A	N/A	N/A	-24.7	-26.6	-40.6
Kentucky	4.7	-1.6	2.8	-12.5	6.8	-1.2
Louisiana	0.9	-2.8	1.6	1.8	0.0	5.9
Maine	7.0	-8.5	0.0	-12.7	-0.9	-39.6
Maryland	10.4	1.9	-1.7	0.2	-8.7	-7.8
Massachusetts	-2.9	4.8	12.7	7.6	5.1	-1.3
Michigan	N/A	N/A	N/A	-7.6	-12.3	35.5
Minnesota	121.0	5.0	2.3	-9.6	2.4	12.6
Mississippi	-2.3	1.2	0.0	-7.2	-7.0	1.4
Missouri	N/A	N/A	N/A	1.6	-7.5	-3.3
Montana	2.0	3.0	4.1	12.8	0.6	-1.7
Nebraska	N/A	N/A	N/A	27.1	-6.9	-29.6
Nevada	-0.9	11.6	1.4	4.4	2.1	1.9
New Hampshire	N/A	N/A	N/A	9.1	0.3	68.6
New Jersey	N/A	N/A	N/A	8.9	-12.4	2.2
New Mexico	4.3	2.4	0.2	-4.6	16.1	-9.6
New York	-6.3	0.0	0.0	-9.6	138.6	-40.3
North Carolina	N/A	N/A	N/A	2.7	0.6	3.6
North Dakota	10.5	1.9	-7.5	166.4	-18.9	23.2
Ohio	N/A	N/A	N/A	-15.5	1.3	-0.3
Oklahoma	6.3	9.2	-0.2	14.2	62.7	-14.6
Oregon	N/A	N/A	N/A	-12.0	17.6	-12.9
Pennsylvania	2.0	22.0	16.0	27.0	-23.6	-2.4
Rhode Island	0.6	9.5	7.6	5.7	-5.1	3.5
South Carolina	N/A	N/A	N/A	7.7	6.8	0.1
South Dakota	4.0	3.8	2.3	2.2	-0.5	2.6
Tennessee	2.0	13.5	-0.4	6.2	-2.9	-0.2
Texas	15.3	9.2	-5.3	11.6	2.7	0.4
Utah	N/A	N/A	N/A	8.6	5.5	6.0
Vermont	N/A	N/A	N/A	-5.0	50.0	1.5
Virginia	N/A	N/A	N/A	-0.5	3.6	2.0
Washington	N/A	N/A	N/A	16.8	-5.8	20.2
West Virginia	N/A	N/A	N/A	-6.5	7.4	0.9
Wisconsin	N/A	N/A	N/A	-0.8	0.4	2.4
Wyoming	N/A	N/A	N/A	19.2	-24.4	2.9
Total	-5.0%	4.4%	1.9%	4.8%	2.2%	1.2%
Median	2.8%	3.0%	1.0%	2.1%	0.7%	1.0%

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, fiscal 2018 figures reflect actual tax collections, fiscal 2019 figures reflect estimated tax collections, and fiscal 2020 figures reflect the estimates based on governors' recommended budgets.

Recommended Fiscal 2020 Revenue Actions

Governors recommended a number of tax increases along with a smaller number of modest decreases for consideration during the 2019 legislative session, resulting in a projected net positive revenue impact in fiscal 2020 of \$8.1 billion, including \$3.9 billion in additional general fund revenues. (See [Table 20 and Figure 3](#)) Overall, 21 governors proposed net tax and fee increases totaling 8.9 billion in fiscal 2020, while 11 governors proposed mostly modest decreases totaling -\$0.7 billion. Motor fuel tax increases in five states reflect the largest proposed revenue increase actions in the amount of \$2.6 billion.

Seven states proposed general fund revenue increases greater than one percent. Three states proposed general fund revenue decreases greater than one percent. Governors' budgets in Connecticut and Minnesota included the largest percentage increases in general fund revenues. The single largest recommended tax change for fiscal 2020 on a dollar basis is the Michigan governor's proposed gas and diesel tax increase, with a non-general fund revenue impact of \$1.3 billion. Ohio's governor also recommended a large increase in the motor fuel tax, estimated to increase revenues by \$865 million. Other tax changes with a significant dollar impact on revenues for fiscal 2020 include personal and corporate income tax conformity changes in California, Minnesota, and Virginia; expanding the sales tax base and increasing health provider taxes in Connecticut; a new millionaire's tax on high-income earners in New Jersey; extension of higher personal income tax rates in New York; eliminating or limiting certain personal and corporate income tax breaks in Wisconsin; a business and occupations tax in Washington; and miscellaneous tax changes in Illinois. The most significant decreases include Nebraska's property tax relief funding and Utah's sales tax reduction. (See [Tables 21–22 and Table A-1](#))

Overall for fiscal 2020, governors proposed net increases in every tax category, including sales and use taxes, personal income taxes, corporate income taxes, cigarette and tobacco taxes, motor fuel taxes, gaming and lottery revenue, other taxes and revenue, and fees.

Sales Taxes—Eight governors recommended sales and use tax increases and five recommended decreases, resulting in a net increase of \$823 million (\$810 million general fund impact). Expanding the sales tax base to certain services and

eliminating exemptions in Connecticut, the sales tax component of Minnesota's Transportation Funding Package, reforming the gross receipts tax in New Mexico, and eliminating certain advantages and exemptions in New York were among the more sizable sales and use tax increases. Utah's sales tax cut, offset in part by a water use fee, accounted for the largest proposed tax decrease in this category. Virginia and Washington reported on the impact of increased sales tax collections from remote sellers in response to the U.S. Supreme Court's decision in the *Wayfair v. South Dakota* case.

Personal Income Taxes—Eight governors recommended net personal income tax increases, while 13 governors proposed decreases, making this once again the most active area of state tax changes for fiscal 2020 and resulting in a net revenue increase of \$1,174 million (\$568 million general fund impact). New York's extension of higher personal income tax rates for five years; New Jersey's proposed millionaire's tax; and tax conformity changes in response to the federal *Tax Cuts and Jobs Act* in California, Minnesota, and Virginia account for the bulk of the net increase. Wisconsin proposed a combination of increases, including eliminating the capital gains deduction for higher-income filers, with a 10% income tax cut for low- and middle-income filers. Governors of California, Michigan, Ohio, and Virginia proposed expanding their states' Earned Income Tax Credit (EITC).

Corporate Income Taxes—Seven governors recommended corporate income tax increases while three proposed decreases for a net increase of \$1,136 million (all general fund revenues). California, Minnesota and Virginia proposed federal conformity changes in response to the 2017 federal tax law. Other significant changes in this category include Wisconsin's proposed limit on the state's manufacturing tax credit; a series of special provisions proposed by Connecticut's governor; and New Mexico's proposed lifting of the film tax credit cap.

Cigarette and Tobacco Taxes—Twelve governors recommended tax increases on cigarettes and tobacco products, and one governor proposed a very small decrease, resulting in a net increase of \$268 million (\$82 million general fund impact). Nine states are proposing taxes on e-cigarettes and/or vaping products, resulting in modest revenue increases. Illinois, Montana, and Oregon recommended cigarette tax increases, with expected revenues dedicated to non-general fund sources.

Motor Fuel Taxes—Five states reported on proposed increases to motor fuel taxes resulting in an increase of \$2,593 million, all of which would be dedicated to non-general fund sources. Michigan’s package of gasoline and diesel tax increases stands to raise the greatest amount of revenue (\$1,264 million), followed by Ohio’s recommended motor fuel tax increase (\$865 million). Alabama, Arkansas and Wisconsin also proposed significant increases in this area.

Alcohol Taxes—The governors of two states (Montana and Oregon) recommended modest increases to alcoholic beverage taxes, with a combined revenue impact of \$28.2 million (all general fund revenue).

Gaming Taxes/Lottery Revenue—Two governors proposed increases to gaming taxes and/or lottery revenues, resulting in a revenue increase of \$341 million (\$247 million general fund impact). Illinois and Massachusetts reported expected revenues from allowing sports betting, and Illinois also proposed a graduated tax increase on video gaming terminals that would be dedicated to the state’s Capital Projects Fund. New Hampshire also reported a sports betting proposal, but did not report the estimated revenue impact of the change.

Other Taxes & Revenue—Twelve governors recommended increases on other tax and revenue sources, while three governors proposed decreases, resulting in a net revenue increase of \$1,532 million (\$952 million general fund impact). Those increases with the most significant revenue impact include health provider tax increases in Connecticut, a managed care organization assessment in Illinois, taxes on legalized use of cannabis in Illinois, and a service business and occupations tax in Washington State. Washington State also reported the governor’s proposal to create a capital gains tax, which would not take effect until fiscal 2021.

Fees—Ten governors recommended net fee increases, while one governor proposed a decrease, resulting in a net increase of \$250 million (\$110 million general fund impact). An increase to indigent legal services fund support fee revenue in New York, business fee increases in Maryland and New Jersey, transportation fees in Wisconsin, and an assisted living rate increase in Alaska were among the more impactful proposed changes to state fees.

Fiscal 2020 Revenue Measures. In addition to tax and fee changes, governors also recommended new revenue measures with a total net impact of \$2,078 million, including a \$1,147 million increase for states’ general funds. These measures often enhance general fund revenue but, in most cases, do not affect taxpayer liability and include actions to enforce existing laws, tax amnesties, additional audits and compliance efforts. A series of measures proposed by Alaska’s governor to repeal the property tax exemption for municipal petroleum property taxes, alter fisheries business and landing taxes, and repeal certain debt reimbursement programs account for a significant portion of the revenue impact in this category. (*See Appendix Table A-2*)

Mid-Year Revenue Changes in Fiscal 2019

Nine states enacted changes in taxes and fees in the middle of fiscal 2019, with five states enacting increases and four states enacting decreases, for a total net revenue increase of \$573 million. Tax conformity changes to personal and corporate income in Indiana and Virginia, collection of online sales taxes due to the *Wayfair* decision in Michigan, and New Mexico’s payoff of the film tax credit backlog accounted for most of the revenue impact of mid-year tax and fee changes. Several states also enacted mid-year revenue measures that generally do not affect taxpayer liability, with a total fiscal 2019 revenue impact of \$117 million. (*See Table 23, Appendix Tables A-3 and A-4*)

TABLE 20

Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2019, and Recommended Fiscal 2020

Fiscal Year	Revenue Change (Billions)
2020	\$8.1
2019	3.1
2018	9.9
2017	1.3
2016	0.5
2015	-2.3
2014	-2.1
2013	6.9
2012	-0.7
2011	6.2
2010	23.9
2009	1.5
2008	4.5
2007	-2.1
2006	2.5
2005	3.5
2004	9.6
2003	8.3
2002	0.3
2001	-5.8
2000	-5.2
1999	-7.0
1998	-4.6
1997	-4.1
1996	-3.8
1995	-2.6
1994	3.0
1993	3.0
1992	15.0
1991	10.3
1990	4.9
1989	0.8
1988	6.0
1987	0.6
1986	-1.1
1985	0.9
1984	10.1
1983	3.5
1982	3.8
1981	0.4
1980	-2.0
1979	-2.3

SOURCES: Fiscal 1979–1987 data from Advisory Commission on Intergovernmental Relations, Significant Features of Fiscal Federalism, 1985–86 edition, page 77, based on data from the Tax Foundation and the National Conference of State Legislatures. Fiscal 1988–2020 data provided by the National Association of State Budget Officers.

FIGURE 3:

Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2019, and Recommended Fiscal 2020

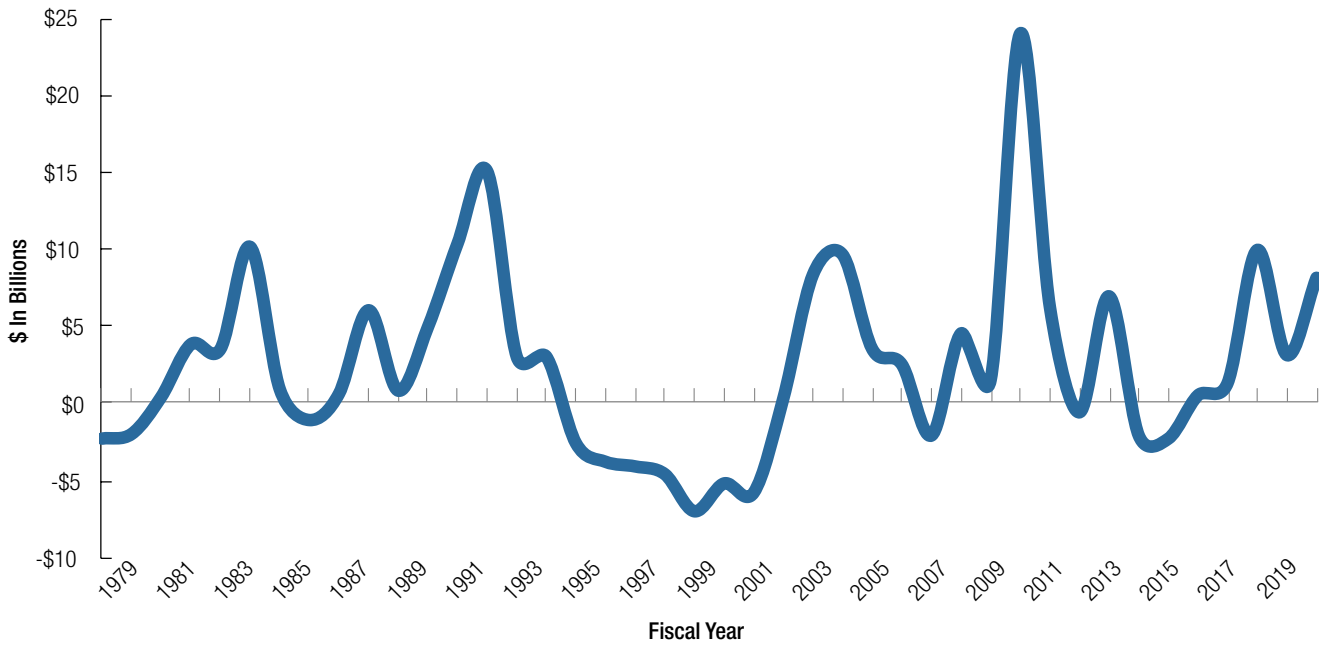


TABLE 21

Recommended Fiscal 2020 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$194.0	\$0.0	\$0.0	\$0.0	\$0.0	\$194.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.0	20.0
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas*	0.0	-25.6	0.0	0.0	56.1	0.0	0.0	1.5	0.0	32.0
California	0.0	200.0	200.0	0.0	0.0	0.0	0.0	102.0	39.8	541.8
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Connecticut	371.0	68.9	83.4	6.7	0.0	0.0	0.0	516.0	20.9	1,066.9
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	-36.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-36.0
Georgia*	-29.4	-40.3	-1.5	0.0	0.0	0.0	0.0	0.0	-23.5	-94.7
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0
Illinois	75.0	0.0	0.0	65.0	0.0	0.0	306.0	680.0	0.0	1,126.0
Indiana	0.0	-14.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0	-13.0
Iowa	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.3
Kansas	0.0	0.0	0.0	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	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maryland	0.0	-35.0	0.0	0.0	0.0	0.0	0.0	0.0	35.0	0.0
Massachusetts	0.0	0.0	0.0	6.0	0.0	0.0	35.0	89.0	5.0	135.0
Michigan	0.0	-132.3	0.0	0.0	1,263.7	0.0	0.0	0.0	0.0	1,131.4
Minnesota	205.7	40.4	473.0	2.8	0.0	0.0	0.0	14.4	9.6	746.1
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	11.0	0.0	0.0	39.9	0.0	7.0	0.0	6.0	0.0	63.9
Nebraska	0.0	-5.1	0.0	0.0	0.0	0.0	0.0	-275.0	0.0	-280.1
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	4.5	0.0	0.0	0.0	0.0	0.0	4.5
New Jersey	0.0	447.0	0.0	0.0	0.0	0.0	0.0	81.5	30.0	558.5
New Mexico	125.0	-30.0	-110.0	10.0	0.0	0.0	0.0	40.0	0.0	35.0
New York	273.0	600.1	0.0	2.0	0.0	0.0	0.0	11.0	70.0	956.1
North Carolina*	0.0	-0.5	0.0	0.0	0.0	0.0	0.0	16.5	0.0	16.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.0	-45.0	0.0	0.0	865.0	0.0	0.0	0.0	0.0	820.0
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	0.0	6.3	31.3	95.0	0.0	21.2	0.0	0.0	0.0	153.8
Pennsylvania	0.0	0.0	-7.2	0.0	0.0	0.0	0.0	-3.0	0.0	-10.2
Rhode Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Carolina	0.0	-20.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.7
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	-12.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-12.4
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah	-220.0	0.0	0.0	20.0	0.0	0.0	0.0	0.0	0.0	-200.0
Vermont	0.0	-1.4	0.0	1.0	0.0	0.0	0.0	-1.4	8.7	6.9
Virginia	27.2	150.2	167.3	0.0	0.0	0.0	0.0	0.0	0.0	344.7
Washington	34.0	0.0	0.0	-3.0	0.0	0.0	0.0	253.0	0.0	284.0
West Virginia	0.0	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0
Wisconsin	0.0	63.6	297.7	17.8	214.1	0.0	0.0	0.0	34.0	627.2
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$823.2	\$1,173.8	\$1,135.5	\$267.7	\$2,592.9	\$28.2	\$341.0	\$1,531.6	\$249.5	\$8,143.4
Increases	8	8	7	12	5	2	2	12	10	21
Decreases	5	13	3	1	0	0	0	3	1	11

NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 21 on page 57.

TABLE 22

Recommended Fiscal 2020 Revenue Actions — General Fund Impact (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.0	20.0
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas	0.0	-25.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-25.6
California	0.0	200.0	200.0	0.0	0.0	0.0	0.0	0.0	0.0	400.0
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Connecticut	371.0	68.9	83.4	6.7	0.0	0.0	0.0	516.0	20.9	1,066.9
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	-36.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-36.0
Georgia	-29.4	-40.3	-1.5	0.0	0.0	0.0	0.0	0.0	-23.5	-94.7
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0
Illinois	75.0	0.0	0.0	0.0	0.0	0.0	212.0	290.0	0.0	577.0
Indiana	0.0	-14.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0	-13.0
Iowa	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.3
Kansas	0.0	0.0	0.0	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	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maryland	0.0	-35.0	0.0	0.0	0.0	0.0	0.0	0.0	35.0	0.0
Massachusetts	0.0	0.0	0.0	6.0	0.0	0.0	35.0	14.0	5.0	60.0
Michigan	0.0	-119.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-119.7
Minnesota	205.7	40.4	473.0	2.8	0.0	0.0	0.0	14.4	9.6	746.1
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	11.0	0.0	0.0	18.0	0.0	7.0	0.0	6.0	0.0	42.0
Nebraska	0.0	-5.1	0.0	0.0	0.0	0.0	0.0	-275.0	0.0	-280.1
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	4.5	0.0	0.0	0.0	0.0	0.0	4.5
New Jersey	0.0	0.0	0.0	0.0	0.0	0.0	0.0	81.5	30.0	111.5
New Mexico	125.0	-30.0	-110.0	10.0	0.0	0.0	0.0	40.0	0.0	35.0
New York	260.0	427.6	0.0	-2.0	0.0	0.0	0.0	0.0	4.0	689.6
North Carolina	0.0	-0.5	0.0	0.0	0.0	0.0	0.0	16.5	0.0	16.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.0	-43.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-43.7
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	0.0	6.3	31.3	0.0	0.0	21.2	0.0	0.0	0.0	58.8
Pennsylvania	0.0	0.0	-7.2	0.0	0.0	0.0	0.0	-3.0	0.0	-10.2
Rhode Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Carolina	0.0	-20.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.7
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	-12.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-12.4
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah	-220.0	0.0	0.0	20.0	0.0	0.0	0.0	0.0	0.0	-200.0
Vermont	0.0	-1.4	0.0	1.0	0.0	0.0	0.0	-1.4	8.7	6.9
Virginia	27.2	150.2	167.3	0.0	0.0	0.0	0.0	0.0	0.0	344.7
Washington	34.0	0.0	0.0	-3.0	0.0	0.0	0.0	253.0	0.0	284.0
West Virginia	0.0	-50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-50.0
Wisconsin	0.0	63.6	297.7	17.8	0.0	0.0	0.0	0.0	0.0	379.1
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$810.2	\$568.2	\$1,135.5	\$81.8	\$0.0	\$28.2	\$247.0	\$952.1	\$109.7	\$3,932.7
Increases	8	7	7	9	0	2	2	9	8	17
Decreases	5	13	3	2	0	0	0	3	1	14

NOTE: See Appendix Table A-1 for details on specific revenue changes.

TABLE 23

Enacted Mid-Year Fiscal 2019 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	2.1
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.8	8.8
Connecticut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Georgia	0.0	0.0	0.0	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	0.0	0.0	0.0
Idaho	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana	-13.9	22.4	8.9	0.0	0.0	0.0	0.0	0.0	0.0	17.4
Iowa	0.0	0.0	0.0	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	0.0	0.0	0.0
Kentucky	0.0	0.0	0.0	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	0.0	0.0	0.0
Maine	1.4	-22.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.7
Maryland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Massachusetts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Michigan	203.0	0.0	-13.0	0.0	0.0	0.0	0.0	0.0	0.0	190.0
Minnesota	0.0	0.0	0.0	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	0.0	0.0	0.0
Missouri	0.0	-1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.7
Montana	0.0	0.0	0.0	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	0.0	0.0	0.0
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Jersey	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Mexico	0.0	0.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0
New York	0.0	0.0	0.0	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	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	-2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.9
Oklahoma	0.0	0.0	0.0	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	0.0	0.0	0.0
Pennsylvania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rhode Island	0.0	0.0	0.0	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	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0	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	0.0	0.0	0.0
Texas	0.0	0.0	0.0	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	0.0	0.0	0.0
Vermont	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Virginia	0.0	417.6	62.1	0.0	0.0	0.0	0.0	0.0	0.0	479.7
Washington	0.0	0.0	0.0	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	0.0	0.0	0.0
Wisconsin	0.0	0.0	0.0	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	0.0	0.0	0.0
Total	\$187.6	\$416.2	-\$42.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$10.9	\$572.7
Increases	2	2	2	0	0	0	0	0	2	5
Decreases	2	2	2	0	0	0	0	0	0	4

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

CHAPTER 2 NOTES

Notes to Table 14: General Fund Nominal Percentage Revenue Change, Fiscal 2018 to Fiscal 2020

- New Hampshire** The large percentage increase in general fund revenue in fiscal 2020 is due to the Governor's Recommended Budget for FY 2020–2021 merging the Education Trust Fund (ETF) with the General Fund. This action represents a base revenue increase from funding sources previously dedicated to the ETF, which in FY 2019 are anticipated to be \$961.4 million.
- Vermont** The Fall 2018 survey included an explanation for the year-over-year decrease in budgeted General Fund for fiscal year 2019. This was the result of the Legislature's restructuring of the Education Fund revenue sources. This restructuring resulted in a decrease of -\$301.2M in the annual transfer of General Funds to the Education Fund. In lieu of the annual transfer of General Funds to the Education Fund, 100% of Sales and Use and 25% of Meals and Rooms taxes will be deposited directly into the Education Fund, which were previously attributed to the General Fund. As part of the fiscal year 2019 Budget Adjustment bill which has not yet been enacted, \$277.6M of the State Health Care Resources Fund ongoing revenue sources will be recognized as General Fund Revenue, and this shift in recognition of revenue sources accounts for the upward change in fiscal year 2019 General Fund revenue as compared to what was reported in the Fall 2018 survey.

Notes to Table 15: General Fund Revenue Collections Compared to Projections, Fiscal 2019

- Michigan** Consensus revenue forecast from May 2018 was the basis for original and revised FY 2019 appropriations enacted. January 2019 consensus forecast was used for FY 2020 Executive Budget.
- Ohio** After removing federal collections (which are dependent on federal expenditures) from general revenue fund totals, year-to-date revenues are exceeding projections.

Notes to Table 18: Comparison of Tax Collections in Fiscal 2018, Fiscal 2019, and Recommended Fiscal 2020

- Arkansas** Revenue amounts here are reported as "gross" (before refunds and special dedications/payments).
- Colorado** Responses in this section do not exactly match revenue in Tables 3–5 because a portion of the income tax revenue reflected here is diverted to the State Education Fund before the remaining revenue is deposited into the General Fund. This amount is 617.0M actual FY 2018, 633.6M adopted 2019, 655.1M current 2019, and \$707.8M for FY 2019–10.
- Actual 2018 uses March 2019 OSPB Forecast
- Estimates 2019 adopted budget uses March 2018 OSPB Forecast
- Estimate 2019 current uses March 2019 OSPB Forecast
- FY 2020 recommended uses December 2018 OSPB Forecast (reflects governor's request)
- Iowa** Sales tax, personal income tax and corporate income tax figures are reported as "gross" (before refunds). The "all other general fund revenue" category is used here to adjust for tax refunds, so that the total revenue amounts are "net" (after refunds).
- Kentucky** Tobacco Settlement funds are excluded. The amounts are \$102.6 million in FY 2018, \$119.5 million in FY 2019, and \$118.1 million in FY 2020.
- Massachusetts** The Commonwealth of Massachusetts credits federal reimbursements for Medicaid, as well as certain other federal reimbursements, to the General Fund. In the NASBO State Expenditure Survey, these reimbursement funds are shown as "federal funds spending" to conform to the survey definitions and excluded from the revenue figures. The figures in this survey are consistent with the Commonwealth's accounting practices.
- Mississippi** Actual revenues for FY 2018 included a late transfer of FY2019 turnback of unused special funds to the FY2018 general fund for a net difference of \$2.2 million dollars.

Ohio	Corporate Income Tax: Ohio doesn't have a corporate income tax and instead has a commercial activities tax (CAT). All Other General Revenue Fund Revenue: Federal reimbursements for Medicaid expenditures make up the majority of revenue in this category. The reduction between original fiscal year 2019 revenue estimates and current projections are the result of federal expenditures coming in below estimate.
Tennessee	Sales tax, personal income tax, and corporate income tax are shared with local governments. Corporate income tax includes franchise tax.
Vermont	The fiscal year 2019 budgeted revenue is reflective of the structural funding changes made in the Education Fund. Specifically, in lieu of the annual transfer of General Funds to the Education Fund, 100% of Sales and Use and 25% of Meals and Rooms taxes will be deposited directly into the Education Fund (previously, these tax revenues were deposited into the General Fund). However, the fiscal year 2019 Budget Adjustment bill includes a structural change in recognizing ~\$277.6M in State Health Care Resources special fund as General Fund revenue retroactive to 7/1/2018. This predominately accounts for the increase in projected receipts between fiscal year 2019 As Adopted and the fiscal year 2019 Current Estimate.

Notes to Table 21: Recommended Fiscal 2020 Revenue Actions by Type of Revenue and Net Increase or Decrease

Arkansas	Sales Tax would not have effect on revenue until FY2024.
Georgia	Conformity to IRC Changes for corporate and personal income taxes, effective January 2018, are estimated to have a general fund impact of +\$393 million.
North Carolina	The FY 2020 estimated impact to personal income tax revenue occurs annually.



TOTAL BALANCES

CHAPTER THREE

Overview

Total balances include both general fund ending balances and the amounts in states' budget stabilization funds (rainy day funds), and reflect the funds that states may use for liquidity to respond to unforeseen circumstances and to help resolve revenue shortfalls. Maintaining adequate reserve levels helps states to mitigate disruptions to state services during an economic downturn and other unanticipated events. Since fiscal 2009, when states were in the depths of the Great Recession, total balances have more than tripled on a dollar basis, from \$31.3 billion to \$98.9 billion in fiscal 2018, an all-time high in nominal dollars and as a share of general fund spending.

Much of that growth has been in states' rainy day funds, set aside to support general fund spending during a revenue shortfall or other unanticipated budget shortfall if the specific restrictions on the use of the fund are met. One particularly promising trend in state finances in recent years has been the strengthening of states' reserves. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending has grown from 1.6 percent to an estimated 7.5 percent in fiscal 2019. Improved revenue conditions in fiscal 2018 and 2019 contributed to many states bolstering their ending balances and savings accounts, with a number of states directing at least part of their unanticipated budget surpluses into their rainy day funds. States continued this behavior in fiscal 2019, with 37 states reporting increases in their rainy day fund balance levels.

Total Balances

Total balances include ending balances (both reserved and unreserved) and the amounts in states' budget stabilization or rainy day funds. Since fiscal 2009 and fiscal 2010, when states' total balance levels declined due to the severe drop in revenues resulting from the Great Recession, states have made significant progress rebuilding budget reserves. In fiscal 2018, total balances reached a new all-time high in actual dollars, totaling \$98.9 billion. (See Table 24, Figure 4) According to NASBO's *Fall 2017 Fiscal Survey of States*, enacted bud-

gets for fiscal 2018 estimated that total balances at year-end would amount to \$67.6 billion, a far lower amount than the actual amount reported in this survey. The much larger total balance figure for fiscal 2018 reflects how revenues outpaced projections in nearly all states, leading to unanticipated budget surpluses that helped to bolster states' ending balances and rainy day funds.

In fiscal 2019, total balances are estimated to end the year fairly flat compared to fiscal 2018, totaling \$98.7 billion (excluding Oklahoma and Wisconsin, which were unable to provide comparable balance data for fiscal 2019 and fiscal 2020). For fiscal 2020, based on governors' budgets, states are forecasting a slight decline in total balances to \$93.8 billion. In fiscal 2019, 30 states estimated total balance increases while 17 states estimated decreases; in fiscal 2020, the split is more even, with 21 states forecasting increases and 24 states forecasting decreases. (See Table 26 and Table 28)

Rainy Day Funds

When NASBO last conducted its *Budget Processes in the States* survey in fall 2014, 47 states reported having at least one budget stabilization fund or reserve account established to supplement general fund spending during a revenue downturn or other unanticipated shortfall (if the specific restrictions on the use of the fund are met).⁵ However, in the last couple of years, the three remaining states — Arkansas, Kansas and Montana — have each taken steps to create a rainy day fund. Other states have also taken deliberate policy actions recently to strengthen their reserves such as by refining methods of deposit and tying target fund size to revenue volatility.

Rainy day funds are a reflection of deliberate state policy choices by elected officials. In recent years, governors and state lawmakers have focused on rebuilding their states' rainy day funds. Rainy day fund balances, in the aggregate, have grown substantially since the Great Recession, reaching \$68.9 billion in fiscal 2018. From fiscal 2010 to fiscal 2019, the median rainy day fund balance grew from 1.6 percent as a share of general fund expenditures to 7.5 percent. The median rainy

⁵ For more details on states' budget stabilization or rainy day funds, see NASBO's *Budget Processes in the States* report (2015), Table 14.

day fund balance in fiscal 2007, prior to the Great Recession, was 4.6 percent. Governors' budgets for fiscal 2020 continue to prioritize strengthening rainy day funds, with a median projected balance of 7.5 percent as a share of general fund spending. Based on the fiscal 2020 budget recommendations, rainy day fund balances as a share of general fund expenditures in 35 states exceed their fiscal 2007 levels. Only eight of the remaining 15 states are below the current national median. [\(See Table 25 and Figure 5\)](#)

Thirty-seven states estimate increases in their rainy day fund balances in fiscal 2019, and 32 states are projecting increases in fiscal 2020 based on governors' budgets. Just seven states saw declines in fiscal 2019 and only one state is forecasting a decrease in its governor's fiscal 2020 budget. [\(See Table 29\)](#)

Balances Vary Across States. Rainy day fund levels, as a share of expenditures, vary across states, ranging in fiscal 2019 from a low of 0.0 percent to a high of 109.0 percent. This variation is related to differing fiscal conditions, rainy day fund structures, policy decisions, revenue volatility levels and other factors. For example, for the 47 states that were able to provide rainy day fund data in fiscal 2019, 14 states estimate rainy day fund balances of 10 percent or more, while four states have balances below 1 percent. Ten states have balances between 1 and 5 percent, and 19 states have balances between 5 and 10 percent. [\(See Table 27\)](#)

Rainy Day Fund Names. All states now have at least one rainy day fund established to supplement general fund spending during a revenue downturn or other unanticipated shortfall, most commonly referred to as a "budget stabilization fund" or "budget reserve fund." [\(See Table 30\)](#). Some states also have a reserve fund dedicated to supplement education funding or for other specific purposes. For more details on how these funds are structured, as well as information on other more targeted state budget stabilization funds not included here, see NASBO's *Budget Processes in the States* (2015), Table 14.

TABLE 24
Total Balances, Fiscal 1979 to Fiscal 2020

Fiscal Year	Total Balance (Billions)	Total Balance (Percentage of Expenditures)
2020*	\$93.8	10.5%
2019*	98.7	11.5
2018	98.9	11.9
2017	79.1	9.8
2016	81.5	10.4
2015	82.2	10.9
2014	73.7	10.2
2013	74.2	10.7
2012	55.6	8.3
2011	45.7	7.1
2010	31.8	5.1
2009	31.3	4.7
2008	59.8	8.7
2007	69.0	10.5
2006	69.3	11.6
2005	49.7	9.0
2004	28.5	5.4
2003	16.7	3.3
2002	18.4	3.6
2001	38.5	7.6
2000	48.1	10.3
1999	39.3	9.0
1998	35.4	8.6
1997	30.7	7.9
1996	25.1	6.8
1995	20.6	5.8
1994	16.9	5.1
1993	13.0	4.2
1992	5.3	1.8
1991	3.1	1.1
1990	9.4	3.4
1989	12.5	4.8
1988	9.8	4.2
1987	6.7	3.1
1986	7.2	3.5
1985	9.7	5.3
1984	6.4	3.8
1983	2.3	1.5
1982	4.5	2.9
1981	6.5	4.4
1980	11.8	9.4
1979	11.2	9.8

NOTE: *Figures for fiscal 2019 are estimated; figures for fiscal 2020 are projected based on governors' recommended budgets. Figures for fiscal 2019 and fiscal 2020 exclude Oklahoma and Wisconsin. Historical total balance data shown in this table may differ from figures published in previous editions of *The Fiscal Survey of States*, as figures for some years were updated based on a review of original source data.

TABLE 25

Rainy Day Fund Balances, Fiscal 2000 to Fiscal 2019

Fiscal Year	RDF Balance (Billions)	Total RDF Balance (Percentage of Expenditures)	Median RDF Balance (Percentage of Expenditures)
2020*	\$74.7	8.6%	7.5%
2019*	68.2	8.2	7.5
2018	68.9	8.3	6.4
2017	55.4	6.9	5.3
2016	51.6	6.6	5.1
2015	47.8	6.3	4.9
2014	47.7	6.6	4.1
2013	41.6	6.0	3.5
2012	36.7	5.5	2.4
2011	28.8	4.5	1.8
2010	27.0	4.3	1.6
2009	29.0	4.4	2.6
2008	32.9	4.8	4.8
2007	30.9	4.7	4.6
2006	31.7	5.3	4.3
2005	24.8	4.5	2.5
2004	12.1	2.3	1.8
2003	8.2	1.6	0.7
2002	10.7	2.1	1.7
2001	21.7	4.3	4.4
2000	27.9	6.0	4.1
1999	21.0	4.8	3.5
1998	19.5	4.8	3.3
1997	13.7	3.5	2.6
1996	11.0	3.0	2.4
1995	9.1	2.6	1.9
1994	5.7	1.7	1.6
1993	5.3	1.7	1.0
1992	3.0	1.0	0.0
1991	3.0	1.0	0.0
1990	3.6	1.3	0.7
1989	4.2	1.6	1.5
1988	3.0	1.3	0.8

NOTE: *Figures for fiscal 2019 are estimated; figures for fiscal 2020 are projected based on governors' recommended budgets. Figures for fiscal 2019 and fiscal 2020 exclude Georgia, Oklahoma and Wisconsin.

FIGURE 4:

Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2020

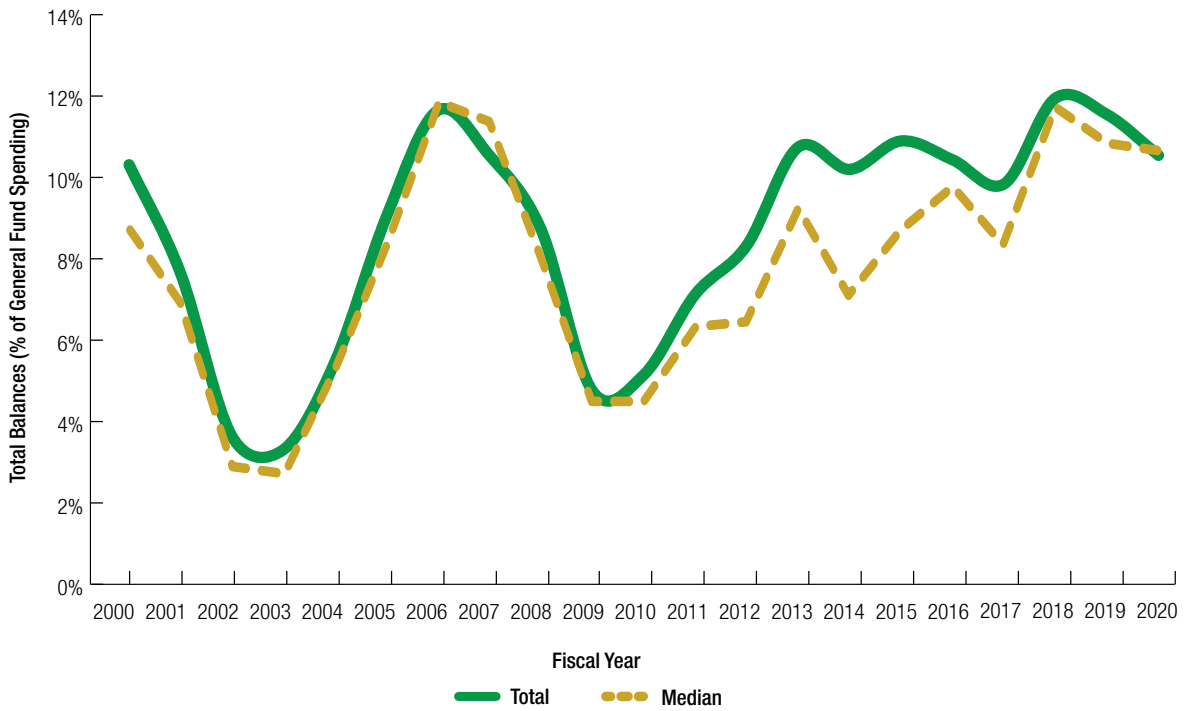


FIGURE 5:

Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2020

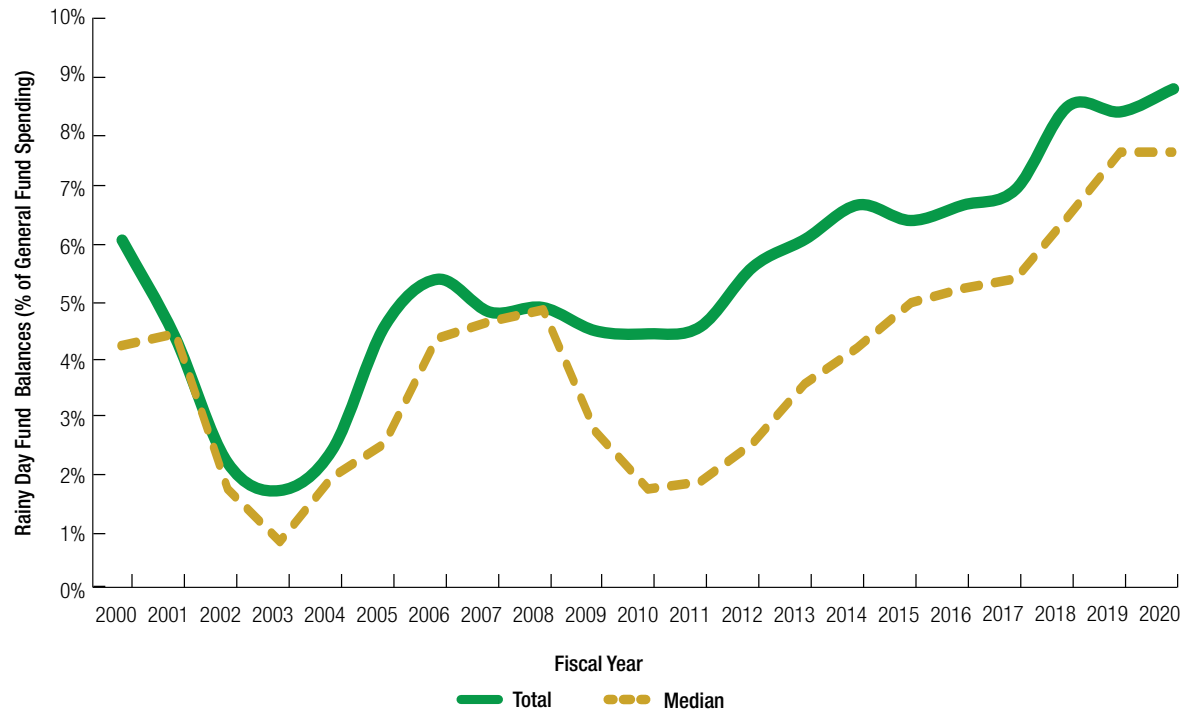


TABLE 26**Total Balances as a Percentage of Expenditures,
Fiscal 2018 to Fiscal 2020**

Percentage	Number of States		
	Fiscal 2018 (Actual)	Fiscal 2019 (Estimated)	Fiscal 2020 (Recommended)
Less than 1%	2	2	2
> 1% but < 5%	4	3	4
> 5% but < 10%	13	15	17
10% or more	31	28	25
N/A	0	2	2

NOTE: See Table 28 for state-by-state data. Oklahoma and Wisconsin were unable to provide complete total balance data for fiscal 2019 and fiscal 2020.

TABLE 27**Rainy Day Fund Balances as a Percentage of Expenditures,
Fiscal 2018 to Fiscal 2020**

Percentage	Number of States		
	Fiscal 2018 (Actual)	Fiscal 2019 (Estimated)	Fiscal 2020 (Recommended)
Less than 1%	6	4	4
> 1% but < 5%	12	10	8
> 5% but < 10%	23	19	20
10% or more	9	14	15
N/A	0	3	3

NOTE: See Table 29 for state-by-state data. Georgia, Oklahoma and Wisconsin were unable to provide rainy day fund balance data for fiscal 2019 and fiscal 2020.

TABLE 28

Total Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2018 to Fiscal 2020

State	Total Balances (\$ in Millions)			Total Balances as a Percent of General Fund Expenditures			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020	
Alabama*	\$1,377	\$1,378	\$1,182	16.6%	15.7%	12.7%	
Alaska*	2,533	3,604	3,895	56.4	72.2	105.0	
Arizona	907	1,312	1,109	9.2	12.6	9.8	
Arkansas*	127	219	155	2.3	3.9	2.7	
California*	22,700	19,201	19,394	18.2	13.3	13.5	
Colorado***	1,366	1,125	954	12.2	9.0	7.1	
Connecticut	1,185	1,949	2,354	6.3	10.3	12.2	
Delaware* ***	750	770	664	18.2	17.3	14.2	
Florida	3,062	3,114	2,904	9.6	9.3	8.4	
Georgia***	2,806	2,806	2,806	11.6	11.1	10.7	
Hawaii	1,126	991	878	14.4	12.5	10.7	
Idaho	660	615	678	19.0	16.8	17.4	
Illinois***	126	356	126	0.4	1.0	0.3	
Indiana	1,841	2,204	2,111	11.7	13.5	12.6	
Iowa	748	948	1,093	10.3	12.4	14.3	
Kansas	762	678	686	11.5	9.5	9.1	
Kentucky*	123	127	304	1.1	1.1	2.6	
Louisiana	629	659	376	6.5	6.8	3.9	
Maine*	362	400	338	10.3	10.8	8.5	
Maryland	1,446	1,688	1,316	8.4	9.4	6.7	
Massachusetts* ***	2,387	2,571	2,841	5.6	5.7	6.2	
Michigan	1,721	1,389	1,337	17.0	13.2	12.5	
Minnesota***	3,283	3,037	3,047	14.7	13.1	12.6	
Mississippi*	300	314	545	5.3	5.6	9.6	
Missouri	800	945	540	8.6	9.8	5.2	
Montana	186	214	272	8.1	8.7	10.8	
Nebraska	794	646	689	18.2	14.5	15.0	
Nevada	605	964	748	15.1	23.6	16.9	
New Hampshire	184	125	127	12.3	7.9	5.1	
New Jersey	991	1,098	1,160	2.8	2.9	3.0	
New Mexico***	1,194	1,226	1,286	19.3	16.1	17.1	
New York***	9,445	6,295	4,760	13.5	8.6	6.2	
North Carolina*	2,844	2,051	1,555	12.5	8.6	6.2	
North Dakota	367	806	799	17.0	37.5	32.4	
Ohio*	3,255	3,537	3,227	10.2	10.5	9.4	
Oklahoma	452	N/A	N/A	7.5	N/A	N/A	
Oregon	2,181	2,665	1,866	22.3	26.2	17.0	
Pennsylvania	23	26	32	0.1	0.1	0.1	
Rhode Island	251	206	211	6.6	5.2	5.2	
South Carolina* ***	1,187	1,405	1,077	15.0	17.4	12.1	
South Dakota	182	176	176	11.5	10.7	10.4	
Tennessee	1,940	1,680	1,101	14.0	11.2	7.1	
Texas	11,192	15,983	15,720	20.0	30.9	26.9	
Utah	895	838	871	13.3	10.9	11.1	
Vermont	112	192	193	7.1	12.2	11.8	
Virginia	652	1,249	1,574	3.2	6.0	7.0	
Washington	3,358	2,149	1,968	16.4	9.3	8.0	
West Virginia*	1,087	1,068	1,069	25.7	24.1	22.9	
Wisconsin	909	N/A	N/A	5.3	N/A	N/A	
Wyoming	1,538	1,667	1,667	100.5	109.0	109.0	
Total**	\$98,947	\$98,664	\$93,780	11.9%	11.5%	10.5%	
				Median	11.7%	10.8%	10.6%

NOTES: Total balances include both the ending balance and Rainy Day Funds. Fiscal 2018 are actual figures, fiscal 2019 are estimated figures, and fiscal 2020 are recommended figures. N/A indicates data not available. **Fiscal 2019 and fiscal 2020 figures exclude Oklahoma and Wisconsin, as complete data for these states were not available for these years. ***Ending Balance includes Rainy Day Fund.

TABLE 29

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2018 to Fiscal 2020

State	Rainy Day Fund Balances (\$ in Millions)**			Rainy Day Fund Balances as a Percent of General Fund Expenditures			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2018	Fiscal 2019	Fiscal 2020	
Alabama	\$784	\$847	\$1,020	9.4%	9.7%	11.0%	
Alaska	2,533	3,604	3,895	56.4	72.2	105.0	
Arizona	458	458	1,000	4.7	4.4	8.8	
Arkansas	127	155	155	2.3	2.7	2.7	
California*	21,791	17,816	18,010	17.5	12.4	12.5	
Colorado	1,366	1,125	954	12.2	9.0	7.1	
Connecticut	1,185	1,949	2,354	6.3	10.3	12.2	
Delaware	232	240	249	5.6	5.4	5.3	
Florida	1,417	1,483	1,574	4.5	4.4	4.6	
Georgia	2,800	N/A	N/A	11.6	N/A	N/A	
Hawaii	376	384	393	4.8	4.8	4.8	
Idaho	421	496	505	12.1	13.6	13.0	
Illinois	4	0	0	0.0	0.0	0.0	
Indiana	1,474	1,380	1,390	9.4	8.4	8.3	
Iowa	620	762	787	8.6	10.0	10.3	
Kansas	0	0	0	0.0	0.0	0.0	
Kentucky	94	127	304	0.8	1.1	2.6	
Louisiana	321	351	376	3.3	3.6	3.9	
Maine	288	281	281	8.2	7.6	7.1	
Maryland	857	882	1,211	5.0	4.9	6.2	
Massachusetts	2,001	2,496	2,792	4.7	5.5	6.1	
Michigan	1,006	1,152	1,329	9.9	10.9	12.5	
Minnesota	2,048	2,425	2,425	9.2	10.5	10.0	
Mississippi	295	314	429	5.2	5.6	7.5	
Missouri	305	320	323	3.3	3.3	3.1	
Montana	0	46	46	0.0	1.9	1.8	
Nebraska	340	334	403	7.8	7.5	8.8	
Nevada	180	328	372	4.5	8.0	8.4	
New Hampshire	110	125	125	7.3	7.9	5.0	
New Jersey	0	0	0	0.0	0.0	0.0	
New Mexico	527	649	1,065	8.5	8.5	14.2	
New York	1,798	2,048	2,286	2.6	2.8	3.0	
North Carolina*	1,849	1,254	1,480	8.1	5.2	5.9	
North Dakota	113	741	741	5.2	34.5	30.0	
Ohio	2,034	2,692	2,692	6.4	8.0	7.8	
Oklahoma	452	N/A	N/A	7.5	N/A	N/A	
Oregon	940	1,213	1,412	9.6	11.9	12.9	
Pennsylvania	0	23	27	0.0	0.1	0.1	
Rhode Island	199	203	210	5.2	5.1	5.2	
South Carolina	509	531	569	6.4	6.6	6.4	
South Dakota	165	176	176	10.4	10.7	10.4	
Tennessee	800	875	1,100	5.8	5.8	7.1	
Texas	11,043	11,800	13,527	19.7	22.8	23.1	
Utah	578	664	664	8.6	8.6	8.4	
Vermont*	112	192	193	7.1	12.2	11.8	
Virginia	440	1,211	1,550	2.2	5.8	6.8	
Washington	1,369	1,605	1,892	6.7	7.0	7.7	
West Virginia	710	735	735	16.8	16.6	15.7	
Wisconsin	320	N/A	N/A	1.9	N/A	N/A	
Wyoming	1,538	1,667	1,667	100.5	109.0	109.0	
Total**	\$68,926	\$68,155	\$74,684	8.3%	8.2%	8.6%	
				Median	6.4%	7.5%	7.5%

NOTES: N/A indicates data not available. Fiscal 2018 are actual figures, fiscal 2019 are estimated figures, and fiscal 2020 are recommended figures. *See Notes to Table 29 on page 68. **Total Rainy day fund balances for fiscal 2019 and fiscal 2020 exclude Georgia, Oklahoma and Wisconsin, as data were unavailable for these years.

TABLE 30
State Rainy Day Fund Names*

State	Fund Name(s)
Alabama	Education Trust Fund Budget Stabilization Fund, Education Trust Fund Rainy Day Account, and General Fund Rainy Day Account
Alaska	Constitutional Budget Reserve Fund and Statutory Budget Reserve Fund
Arizona	Budget Stabilization Fund
Arkansas	Long Term Reserve Fund
California	Special Fund for Economic Uncertainties (SFEU), Budget Stabilization Account (BSA), Safety Net Reserve Fund
Colorado	General Fund Reserve, as defined in C.R.S. Section 24-75-201.1(1)(d)
Connecticut	Budget Reserve Fund
Delaware	Budget Reserve Account
Florida	Budget Stabilization Fund
Georgia	Revenue Shortfall Reserve
Hawaii	Emergency and Budget Reserve Fund
Idaho	Budget Stabilization Fund, Economic Recovery Reserve Fund, Public Education Stabilization Fund, and Higher Education Stabilization Fund
Illinois	Budget Stabilization Fund
Indiana	Medicaid Reserve, State Tuition Reserve, and Rainy Day Fund
Iowa	Cash Reserve Fund, Economic Emergency Fund
Kansas	Budget Stabilization Fund
Kentucky	Budget Reserve Trust Fund
Louisiana	Budget Stabilization Fund
Maine	Budget Stabilization Fund and the Reserve for Operating Capital
Maryland	Revenue Stabilization Account
Massachusetts	Commonwealth Stabilization Fund
Michigan	Countercyclical Budget and Economic Stabilization Fund
Minnesota	Rainy Day Fund = Budget Reserve + Cash Flow Account
Mississippi	Working Cash Stabilization Fund
Missouri	Budget Reserve Fund
Montana	Budget Stabilization Reserve Fund
Nebraska	Cash Reserve Fund
Nevada	Rainy Day Fund or Account to Stabilize the Operation of State Government
New Hampshire	Revenue Stabilization Reserve Account
New Jersey	Surplus Revenue Fund
New Mexico	Tax Stabilization Reserve
New York	Tax Stabilization Reserve and Rainy Day Reserve
North Carolina	Budget Stabilization Reserve
North Dakota	Budget Stabilization Fund
Ohio	Budget Stabilization Fund
Oklahoma	Oklahoma Constitutional Reserve Fund
Oregon	Rainy Day Fund & Education Stability Fund
Pennsylvania	Budget Stabilization Reserve Fund
Rhode Island	Budget Reserve and Cash Stabilization Fund
South Carolina	General Reserve Fund & Capital Reserve Fund
South Dakota	Budget Reserve Fund and the General Revenue Replacement Fund
Tennessee	Revenue Fluctuation Reserve
Texas	Economic Stabilization Fund
Utah	General Fund Budget Reserve Account and Education Budget Reserve Account
Vermont	Budget Stabilization Reserve, Human Services Caseload Reserve, General Fund Balance Reserve
Virginia	Revenue Stabilization Fund, Revenue Reserve Fund
Washington	Budget Stabilization Account
West Virginia	Revenue Shortfall Reserve Fund, Revenue Shortfall Reserve Fund Part B
Wisconsin	Budget Stabilization Fund
Wyoming	Legislative Stabilization Reserve Account (LSRA)

Notes: *Above are the names of those funds that are included in the rainy day fund balances reported in this survey. For more details on how these funds are structured, as well as information on other more targeted state budget stabilization funds not included here, see NASBO's Budget Processes in the States (2015), Table 14.

CHAPTER 3 NOTES

Notes to Table 29: Rainy Day Fund Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2018 to Fiscal 2020

- California** Safety Net Reserve created in the 2018 Budget Act to maintain existing benefits and services for Medi-Cal and CalWORKs during economic downturns.
- North Carolina** There are several restricted reserves that are not included in either the ending balance above or the rainy day fund. They include A Medicaid Transformation Reserve (\$432.7M), Medicaid Contingency Reserve (\$186.4M), and the states emergency disaster fund (\$64.4M), Hurricane Florence Disaster Recovery Reserve (523M). Balances are as of March 22, 2019.
- Vermont** Historically, Vermont has reported the “Rainy Day Fund Balance” as the balance attributed to Vermont’s General Fund Balance Reserve (informally known as the Rainy Day Reserve). However, per NASBO’s definition of Rainy Day Fund Balances, Vermont should also include its General Fund Budget Stabilization Reserve and General Fund Humans Services Caseload Reserve balances. Accordingly, the Rainy Day Fund Balance figures reflect this reporting change.

MEDICAID OUTLOOK:

MEDICAID SPENDING INCLUDING EXPANSION, ENROLLMENT, PROGRAMMATIC CHANGES AND TRENDS, AND THE AFFORDABLE CARE ACT

CHAPTER FOUR

Medicaid, a means-tested entitlement program financed by the states and the federal government, provides comprehensive medical care and long-term services and supports for over 75 million low-income individuals. Medicaid is estimated to account for about 29.7 percent of total state spending from all fund sources in fiscal 2018, the single largest portion of total state expenditures, and 20.2 percent of general fund expenditures according to NASBO's most recent *State Expenditure Report* released in November 2018. The following sections look at Medicaid spending and enrollment, programmatic changes and trends, Medicaid forecasting, and changes attributable to the Affordable Care Act (ACA) including expenditures for Medicaid expansion. The survey information covers actual results for state fiscal year 2018, estimated data for fiscal 2019, and governors' recommended budgets for fiscal 2020.

Medicaid Spending Trends

In fiscal 2018, states spent \$587.3 billion in total on Medicaid, with \$161.1 billion from general funds, \$66.9 billion from other state funds and \$359.3 billion from federal funds. For fiscal 2019, states are estimated to spend \$618.3 billion in total on Medicaid with \$166.9 billion from general funds, \$69.4 billion from other state funds and \$381.9 billion from federal funds. Total Medicaid spending grew 5.2 percent in fiscal 2018 with state funds growing by 3.8 percent (general funds by 1.9 percent, other state funds by 8.9 percent), and federal funds increasing by 6.1 percent. For fiscal 2019, total Medicaid spending is estimated to increase by 5.3 percent, with state funds increasing by 3.6 percent (general funds by 3.6 percent, other state funds by 3.7 percent), and federal funds increasing by 6.3 percent. In both fiscal 2018 and 2019, Medicaid expenditures from federal funds were growing significantly faster than from state general funds.

Governors' recommended budgets for fiscal 2020 assume total Medicaid spending of \$642.7 billion with \$173.1 billion from general funds, \$70.6 billion from other state funds and \$399.1 billion from federal funds. Total Medicaid spending is estimated to increase 4.0 percent with spending from general funds increasing by 3.7 percent, other state funds increasing by 1.8

percent, and federal funds increasing by 4.5 percent over the fiscal 2019 amounts. (See [Tables 31 and 32](#))

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 timing and reporting issues — can substantially influence average Medicaid spending growth rates. Though it varies by state, other state funds may include provider taxes, fees and assessments, pharmaceutical rebates, intergovernmental transfers, and local funds.

About one third of the states also reported having Medicaid expenditures from non-federal funding sources 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 reported in Tables 31 and 33. These funds may include certified public expenditures, intergovernmental transfers, and other local funds and may be used for services provided in schools or in county hospitals as the state share to draw down federal Medicaid funds. The estimated amount of the non-federal share not flowing through state budgets totals about \$17.3 billion in recommended fiscal 2020 budgets.

Medicaid Expansion Under the Affordable Care Act. States that expanded Medicaid under the ACA began receiving a 100 percent federal match for those newly eligible in calendar years 2014 through 2016. Beginning January 1, 2017, states that expanded 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 May 2019, 36 states and the District of Columbia have adopted the Medicaid expansion. In Idaho, Nebraska, and Utah, voters approved expansion in 2018 ballot initiatives with expansion planned to be implemented during fiscal 2020.

Medicaid Expansion Expenditures

States that expanded Medicaid under the ACA provided expenditure data related to the Medicaid expansion in fiscal years

2018, 2019, and 2020. More specifically, states were asked to include all expenditures falling under the new adult eligibility group (known as Group VIII) as reported to CMS, including Group VIII expenditures for both “newly eligible” and “not newly eligible” populations. 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 premium taxes, cigarette taxes, pharmaceutical rebates, intergovernmental transfers, provider assessments, and local funds to provide the state match.

In fiscal 2018, 31 states reported total spending for Medicaid expansion of \$85.0 billion, \$10.4 billion in state funds, and \$74.6 billion in federal funds (See Table 33). In fiscal 2019, 33 states (Maine and Virginia began expansion in fiscal 2019) are estimated to spend \$91.2 billion in all funds, \$11.4 billion in state funds, and \$79.9 billion in federal funds. In 37 governors’ recommended budgets for fiscal 2020, projected spending for Medicaid expansion totals \$103.3 billion, \$14.3 billion in state funds, and \$89 billion in federal funds. In addition to the ballot-directed expansions in Idaho, Nebraska, and Utah, the governors in North Carolina and Wisconsin included funding in fiscal 2020 for Medicaid expansion in their recommended budgets. Medicaid expansion spending from all fund sources is expected to increase by \$12.0 billion in fiscal 2020 with state funds increasing \$2.9 billion and federal funds increasing by \$9.1 billion. For most states, the state share for Medicaid expansion on a fiscal year basis increases by 2 percentage points, from 6.5 percent in fiscal 2019 to 8.5 percent in fiscal 2020.

Excluding spending for Medicaid expansion, total Medicaid spending grew by 6.5 percent in fiscal 2018, is budgeted to grow by 4.9 percent in fiscal 2019, and is estimated to grow by 2.4 percent in fiscal 2020 recommended budgets. For all three fiscal years, the federal share of Medicaid spending remains at about 62 percent and the state share at about 38 percent. Excluding Medicaid expansion spending, the federal share is about 57 percent and the state share is about 43 percent.

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. Enrollment in fiscal 2018 and fiscal 2019 decreased slightly by 0.6 percent in fiscal 2018 and was expected to decrease slightly by 0.9 percent in fiscal 2019 resulting from various factors including a stronger economy, elimination of redetermination delays in states that had previously implemented new or upgraded eligibility systems, and enhanced verifications and data matching in a number of states based on the Kaiser Family Foundation survey of states in October 2018.

Medicaid Programmatic Changes: Program Enhancement and Cost Containment

States reported the types of changes they made in the Medicaid program in fiscal 2019 and recommended changes for fiscal 2020 for both enhancing programs and containing costs. Trends for program enhancement varied with 31 states increasing payments to providers, 22 states expanding access to behavioral health services, and 20 states expanding or restoring benefits as the most frequent actions. Even more states proposed program enhancements for recommended fiscal 2020 budgets with 31 states proposing to increase provider payments, 30 states planning to expand access to behavioral health services, and 27 states planning to expand or restore benefits as the most common responses. States were also asked about changes to contain costs and the most common responses were enhanced program integrity efforts in 20 states, changes to delivery systems in 14 states, and policies to cut costs for prescription drugs in 12 states for fiscal 2019. For recommended fiscal 2020 budgets, 21 states plan enhanced program integrity, 15 states propose policies to reduce prescription drugs, and 15 states propose changes to delivery systems. (See Tables 34 and 35)

Provider Tax Increases for Medicaid. Some states have increased or plan to increase resources for Medicaid through provider taxes or fees. For fiscal 2019, eight states have raised or plan to raise provider taxes or fees while 13 states have plans to raise provider taxes or fees in governors’ recommended budgets for fiscal 2020. Restrictions to provider taxes and fees have surfaced in federal deficit reduction proposals, in Presidents’ proposed budgets, and in congressional proposals over the years. (See Table 36)

Consensus Forecasting Processes in Medicaid

States were asked if they have a consensus Medicaid budget/expenditure forecasting process that includes legislative staff or legislative participation. About one third of the states have a Medicaid consensus forecasting process involving legislative participation. Approaches across states range from forecasts developed with multiple agencies, executive and legislative staff, and state actuaries. Several states also have formal case-load estimating conferences that meet a set number of times per year with designated members and include forecasts for an array of programs and revenues. (See [Table 37](#)).

Medicaid Spending Trends and Budget Pressures. States were asked to identify issues and trends that are affecting their Medicaid spending. The most frequent responses were around pharmacy costs, particularly for specialty drugs, overall enrollment and utilization trends such as for elderly and disabled individuals, and changes in federal laws and regulations including monitoring any legislation that would affect the ACA.

Other issues states mentioned included the lower match for the expansion population and for the Children's Health Insurance Program (CHIP), information technology projects, changes and implementation issues in managed care, and the ACA health insurer fee for fiscal 2020. States also are looking at implementation and application for program waivers, including Section 1115 demonstration waivers for work and community engagement and substance abuse disorder, waivers for home and community-based services, and innovation and global waivers.

Health Care Spending Forecasts. Medicaid spending, similar to overall health care spending, has historically increased faster than the economy as a whole. The Congressional Budget Office (CBO) released its *Budget and Economic Outlook* for 2019 to 2029 in May 2019 and noted that although growth in health care spending has slowed in recent years, such spending still has grown faster than the economy, on average. From 2021 through 2029, federal Medicaid spending is projected to grow at an average rate of about 5.8 percent per year with the costs of health care projected to grow faster than the economy over the long term.

TABLE 31

Medicaid Expenditures By Fund Source (\$ in millions)

State	Fiscal 2018 (Actual)				Fiscal 2019 (Estimated)				Fiscal 2020 (Recommended)			
	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds
Alabama	\$701	\$1,229	\$4,627	\$6,557	\$756	\$1,281	\$5,024	\$7,060	\$715	\$1,434	\$5,305	\$7,454
Alaska	491	0	909	1,400	545	0	1,068	1,612	582	0	1,159	1,741
Arizona	1,619	1,272	9,416	12,306	1,641	1,360	10,122	13,122	1,635	1,527	10,383	13,544
Arkansas	1,094	536	5,494	7,124	1,245	448	5,674	7,366	1,307	534	5,887	7,727
California	22,974	13,802	56,147	92,922	24,446	15,357	62,470	102,273	26,692	12,810	65,013	104,515
Colorado	2,716	980	5,049	8,745	2,846	1,139	5,301	9,285	3,111	1,122	5,366	9,599
Connecticut*	3,467	0	4,730	8,196	3,430	0	4,787	8,216	3,502	0	4,826	8,328
Delaware	727	66	1,363	2,156	753	63	1,443	2,259	757	61	1,533	2,351
Florida	6,429	5,335	15,513	27,276	6,708	5,484	15,536	27,729	6,954	5,400	15,822	28,176
Georgia	2,696	841	7,311	10,848	2,950	814	7,052	10,816	3,043	837	7,172	11,051
Hawaii	777	62	1,573	2,412	760	62	1,500	2,322	750	62	1,500	2,312
Idaho	502	302	1,347	2,151	574	213	1,502	2,289	638	219	1,745	2,602
Illinois	5,256	4,327	13,044	22,628	4,493	3,990	12,469	20,953	4,207	5,907	12,419	22,533
Indiana	2,242	1,090	8,088	11,420	2,245	1,521	8,717	12,483	2,525	1,811	10,127	14,463
Iowa	1,346	416	3,077	4,839	1,515	422	3,514	5,452	1,410	439	3,424	5,274
Kansas	1,214	306	1,850	3,370	1,291	354	2,113	3,758	1,305	355	2,324	3,984
Kentucky	1,881	399	7,947	10,227	1,825	434	8,705	10,964	1,957	416	8,874	11,248
Louisiana	1,695	1,224	8,008	10,926	1,819	934	8,995	11,748	1,801	1,379	9,508	12,688
Maine	763	312	1,749	2,824	810	293	1,960	3,063	896	328	2,419	3,643
Maryland	3,304	975	6,888	11,168	3,434	978	7,007	11,419	3,901	925	7,176	12,002
Massachusetts*	7,595	0	7,470	15,065	8,254	0	7,634	15,888	8,138	0	7,760	15,898
Michigan	2,964	2,394	12,701	18,059	2,976	2,696	13,208	18,880	3,215	2,767	13,458	19,440
Minnesota	5,129	339	7,086	12,554	5,133	289	6,920	12,342	5,792	286	7,777	13,855
Mississippi	989	391	4,156	5,536	952	393	4,265	5,609	951	385	4,341	5,678
Missouri	2,145	2,609	5,270	10,023	2,158	2,709	5,785	10,652	2,305	2,644	5,864	10,813
Montana	281	94	799	1,174	287	118	829	1,234	314	120	891	1,325
Nebraska	1,025	55	1,196	2,275	1,029	54	1,279	2,361	1,022	54	1,341	2,417
Nevada	669	218	2,861	3,748	700	288	3,074	4,062	816	245	3,405	4,466
New Hampshire	609	239	850	1,698	634	237	872	1,743	N/A	N/A	N/A	N/A
New Jersey	4,197	1,540	7,621	13,358	4,338	1,585	7,976	13,900	4,315	1,900	7,497	13,712
New Mexico	963	167	4,335	5,465	993	152	4,383	5,528	1,043	173	4,539	5,756
New York	12,816	9,293	36,787	58,897	13,526	8,082	39,424	61,032	13,853	8,004	40,987	62,844
North Carolina	3,597	1,369	9,136	14,102	3,570	1,419	9,047	14,035	3,914	1,348	9,549	14,811
North Dakota	469	0	752	1,220	475	0	734	1,209	535	0	861	1,396
Ohio*	14,483	3,357	8,621	26,461	14,826	3,368	9,091	27,284	15,214	3,625	9,539	28,378
Oklahoma	963	1,326	2,736	5,024	964	1,312	3,033	5,309	987	1,327	3,431	5,745
Oregon	1,350	1,045	6,861	9,256	1,552	1,119	7,239	9,910	1,776	1,225	7,850	10,851
Pennsylvania	9,302	3,360	17,908	30,570	9,409	4,203	18,279	31,891	9,671	4,114	18,714	32,499
Rhode Island	1,114	0	1,583	2,697	1,155	0	1,657	2,811	1,153	0	1,668	2,821
South Carolina	1,101	782	4,648	6,531	1,117	832	4,711	6,660	1,194	917	4,923	7,033
South Dakota	347	4	522	874	353	6	567	926	369	6	616	990
Tennessee	2,905	1,250	6,679	10,834	3,088	1,328	7,231	11,647	3,180	1,334	7,244	11,757
Texas	12,106	266	21,484	33,856	12,413	276	23,804	36,493	11,483	255	23,773	35,511
Utah	416	468	1,740	2,624	413	581	2,007	3,002	448	593	2,469	3,509
Vermont	274	354	920	1,548	566	88	977	1,631	568	84	986	1,637
Virginia	4,374	400	4,822	9,595	4,617	675	6,290	11,583	4,715	1,061	8,848	14,624
Washington	3,918	555	7,836	12,310	4,028	572	7,968	12,568	4,326	568	8,135	13,029
West Virginia	533	326	2,972	3,831	556	372	3,415	4,344	687	261	3,544	4,492
Wisconsin	2,939	1,402	5,347	9,688	3,138	1,659	5,837	10,633	3,127	1,665	6,719	11,511
Wyoming	261	32	319	612	271	32	329	632	271	46	343	660
Total	\$161,117	\$66,872	\$359,294	\$587,284	\$166,940	\$69,355	\$381,948	\$618,243	\$173,069	\$70,573	\$399,051	\$642,693

NOTES: N/A indicates data not available. New Hampshire was only able to provide spending data for fiscal 2018 and fiscal 2019, and is excluded from the totals for year-over-year comparison purposes.
*See Notes to Table 31 on page 81.

TABLE 32

Annual Percentage Change in Medicaid Spending

State	Fiscal 2018 (Actual)				Fiscal 2019 (Estimated)				Fiscal 2020 (Recommended)			
	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds
Alabama	-2.7%	1.5%	1.9%	1.3%	7.7%	4.2%	8.6%	7.7%	-5.4%	12.0%	5.6%	5.6%
Alaska	-25.0	N/A	-35.9	-32.6	11.0	N/A	17.4	15.2	6.9	N/A	8.6	8.0
Arizona	-13.9	24.5	2.2	1.6	1.3	6.9	7.5	6.6	-0.3	12.3	2.6	3.2
Arkansas	3.5	-0.3	-0.3	0.3	13.7	-16.4	3.3	3.4	5.0	19.2	3.8	4.9
California	-5.2	20.3	0.2	1.3	6.4	11.3	11.3	10.1	9.2	-16.6	4.1	2.2
Colorado	7.3	-4.2	1.2	2.4	4.8	16.1	5.0	6.2	9.3	-1.5	1.2	3.4
Connecticut	9.5	N/A	9.0	9.2	-1.1	N/A	1.2	0.2	2.1	N/A	0.8	1.4
Delaware	-6.3	3.7	16.7	7.4	3.6	-4.9	5.9	4.8	0.6	-2.9	6.3	4.1
Florida	-0.9	12.0	6.9	5.9	4.3	2.8	0.2	1.7	3.7	-1.5	1.8	1.6
Georgia	8.7	9.7	6.0	7.0	9.4	-3.3	-3.5	-0.3	3.1	2.9	1.7	2.2
Hawaii	-7.2	87.9	8.0	3.7	-2.2	0.0	-4.6	-3.7	-1.3	0.0	0.0	-0.4
Idaho	6.6	20.8	8.2	9.4	14.4	-29.3	11.5	6.4	11.1	2.7	16.2	13.6
Illinois	130.3	16.1	31.3	41.9	-14.5	-7.8	-4.4	-7.4	-6.4	48.0	-0.4	7.5
Indiana	36.1	-10.1	-0.8	3.7	0.1	39.5	7.8	9.3	12.5	19.1	16.2	15.9
Iowa	20.4	-3.2	19.5	17.4	12.5	1.5	14.2	12.7	-6.9	4.0	-2.5	-3.3
Kansas	9.7	13.6	1.1	5.1	6.3	15.7	14.2	11.5	1.1	0.3	10.0	6.0
Kentucky	7.5	-21.1	2.0	1.8	-2.9	8.8	9.5	7.2	7.2	-4.1	1.9	2.6
Louisiana	-11.6	10.5	9.5	5.7	7.3	-23.6	12.3	7.5	-1.0	47.6	5.7	8.0
Maine	1.6	17.0	6.8	6.3	6.1	-6.1	12.1	8.5	10.6	11.8	23.4	18.9
Maryland	-5.5	-3.9	-2.7	-3.6	3.9	0.3	1.7	2.2	13.6	-5.4	2.4	5.1
Massachusetts	2.5	N/A	6.7	4.6	8.7	N/A	2.2	5.5	-1.4	N/A	1.7	0.1
Michigan	9.0	13.1	4.7	6.5	0.4	12.6	4.0	4.5	8.0	2.6	1.9	3.0
Minnesota	23.3	40.8	13.9	18.2	0.1	-14.7	-2.3	-1.7	12.8	-1.0	12.4	12.3
Mississippi	-9.2	-2.6	-2.6	-3.9	-3.7	0.3	2.6	1.3	-0.1	-1.9	1.8	1.2
Missouri	0.9	7.7	0.4	2.3	0.6	3.9	9.8	6.3	6.8	-2.4	1.4	1.5
Montana	-0.6	-10.4	-9.1	-7.3	2.4	25.3	3.7	5.1	9.3	1.9	7.5	7.4
Nebraska	1.3	22.6	6.9	4.6	0.4	-1.6	6.9	3.8	-0.6	0.0	4.8	2.4
Nevada	12.7	-9.7	5.2	5.4	4.5	32.0	7.5	8.4	16.6	-14.8	10.8	10.0
New Hampshire	4.2	-1.0	2.6	2.6	4.2	-1.0	2.6	2.7	N/A	N/A	N/A	N/A
New Jersey	20.2	10.4	76.1	44.9	3.4	2.9	4.7	4.1	-0.5	19.8	-6.0	-1.4
New Mexico	6.5	-40.8	-2.1	-2.6	3.1	-8.8	1.1	1.2	5.1	13.5	3.6	4.1
New York	1.7	0.7	9.3	6.1	5.5	-13.0	7.2	3.6	2.4	-1.0	4.0	3.0
North Carolina	3.1	-8.9	6.1	3.6	-0.8	3.6	-1.0	-0.5	9.6	-5.0	5.5	5.5
North Dakota	10.3	N/A	7.4	8.5	1.3	N/A	-2.3	-0.9	12.7	N/A	17.3	15.5
Ohio	-16.9	47.0	47.9	3.6	2.4	0.3	5.4	3.1	2.6	7.6	4.9	4.0
Oklahoma	-4.5	6.9	-7.2	-3.3	0.1	-1.0	10.9	5.7	2.4	1.1	13.1	8.2
Oregon	4.6	-7.8	-2.2	-2.0	14.9	7.1	5.5	7.1	14.4	9.5	8.4	9.5
Pennsylvania	12.3	0.0	3.7	5.7	1.2	25.1	2.1	4.3	2.8	-2.1	2.4	1.9
Rhode Island	1.0	-100.0	2.9	1.7	3.6	N/A	4.6	4.2	-0.2	N/A	0.7	0.3
South Carolina	-13.6	-10.1	-6.3	-8.1	1.4	6.4	1.4	2.0	6.9	10.2	4.5	5.6
South Dakota	-1.5	-4.4	4.4	1.9	1.7	30.2	8.6	6.0	4.4	0.0	8.6	7.0
Tennessee	-11.8	48.8	-0.3	0.0	6.3	6.2	8.3	7.5	3.0	0.5	0.2	1.0
Texas	0.0	-13.4	6.8	4.1	2.5	3.8	10.8	7.8	-7.5	-7.6	-0.1	-2.7
Utah	-4.3	-5.3	0.3	-1.5	-0.7	24.3	15.4	14.4	8.3	2.1	23.0	16.9
Vermont	-7.7	9.1	-0.6	0.1	106.9	-75.1	6.2	5.4	0.3	-4.2	0.9	0.4
Virginia	-1.5	-0.3	1.8	0.2	5.6	68.9	30.4	20.7	2.1	57.2	40.7	26.3
Washington	5.7	11.0	0.4	2.5	2.8	3.0	1.7	2.1	7.4	-0.7	2.1	3.7
West Virginia	1.5	-9.4	-4.6	-4.2	4.4	14.1	14.9	13.4	23.6	-30.0	3.8	3.4
Wisconsin	11.5	-12.0	29.6	16.0	6.7	18.3	9.2	9.8	-0.3	0.4	15.1	8.3
Wyoming	-9.1	5.9	-7.2	-7.5	3.8	0.0	3.1	3.3	0.0	43.5	4.2	4.4
Total	1.9%	8.9%	6.1%	5.2%	3.6%	3.7%	6.3%	5.3%	3.7%	1.8%	4.5%	4.0%
Median	1.5%	1.1%	2.8%	3.1%	3.6%	3.0%	5.7%	5.2%	3.1%	0.4%	4.0%	4.1%

NOTES: NA indicates data not available or applicable.

TABLE 33

Medicaid Expansion Expenditures, Fiscal 2018 to Fiscal 2020 (\$ in millions)

State	Fiscal 2018 (Actual)					Fiscal 2019 (Estimated)					Fiscal 2020 (Recommended)				
	General	Other State	Total State	Federal	Total Funds	General	Other State	Total State	Federal	Total Funds	General	Other State	Total State	Federal	Total Funds
Alaska	\$16	\$0	\$16	\$402	\$417	\$21	\$0	\$21	\$445	\$465	\$30	\$0	\$30	\$464	\$494
Arizona	N/A	N/A	216	2,561	2,777	N/A	N/A	188	2,894	3,082	N/A	N/A	204	3,163	3,367
Arkansas*	70	35	105	1,805	1,910	92	36	128	1,840	1,968	126	52	178	1,914	2,091
California*	1,427	0	1,427	16,462	17,889	1,550	0	1,550	15,713	17,263	2,201	0	2,201	17,850	20,051
Colorado	0	98	98	1,687	1,785	0	111	111	1,601	1,712	0	148	148	1,591	1,739
Connecticut	207	0	207	1,698	1,905	294	0	294	1,795	2,088	370	0	370	1,747	2,117
Delaware	45	0	45	447	492	40	0	40	454	494	45	0	45	485	530
Hawaii	47	0	47	642	689	41	0	41	555	596	40	0	40	550	590
Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9	11	20	178	198
Illinois	157	50	207	3,497	3,704	173	64	237	3,384	3,621	227	88	315	3,386	3,700
Indiana	0	136	136	2,215	2,350	0	161	161	2,188	2,349	0	227	227	2,145	2,372
Iowa	81	0	81	901	982	87	0	87	950	1,037	103	0	103	901	1,004
Kentucky	N/A	N/A	162	2,782	2,943	N/A	N/A	189	2,714	2,903	N/A	N/A	258	2,773	3,031
Louisiana	0	164	164	2,928	3,092	0	206	206	2,975	3,181	0	302	302	3,228	3,530
Maine	N/A	N/A	N/A	N/A	N/A	24	0	24	174	197	69	0	69	413	482
Maryland	149	0	149	2,529	2,677	168	8	176	2,532	2,708	218	0	218	2,255	2,473
Massachusetts*	344	0	344	1,857	2,201	497	0	497	1,643	2,140	468	0	468	1,866	2,335
Michigan*	171	54	225	3,581	3,807	95	184	279	3,804	4,083	34	340	373	3,727	4,100
Minnesota	103	0	103	1,867	1,970	117	0	117	1,698	1,815	174	0	174	1,929	2,103
Montana	43	0	43	596	639	55	0	55	719	774	60	0	60	715	775
Nebraska	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	18	0	18	152	171
Nevada	71	1	73	1,252	1,324	93	2	95	1,351	1,446	124	2	125	1,348	1,473
New Hampshire	0	28	28	375	403	0	27	27	391	418	N/A	N/A	N/A	N/A	N/A
New Jersey	182	0	182	2,950	3,132	213	0	213	2,947	3,160	316	0	316	2,699	3,015
New Mexico	80	0	80	1,370	1,450	95	0	95	1,362	1,457	126	0	126	1,350	1,475
New York	N/A	N/A	2,481	8,130	10,611	N/A	N/A	2,479	12,184	14,663	N/A	N/A	2,704	12,412	15,116
North Carolina	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	195	198	1,862	2,061
North Dakota	25	0	25	276	301	10	13	24	278	301	33	0	33	282	315
Ohio	3,069	46	3,115	1,148	4,263	3,042	58	3,100	1,103	4,203	3,236	69	3,305	1,101	4,406
Oregon	N/A	N/A	130	2,228	2,358	N/A	N/A	175	2,513	2,688	N/A	N/A	254	2,732	2,986
Pennsylvania	N/A	N/A	255	4,214	4,469	N/A	N/A	329	4,354	4,683	N/A	N/A	394	4,616	5,010
Rhode Island	25	0	25	429	454	31	0	31	444	475	41	0	41	443	484
Utah	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15	14	29	261	290
Vermont	N/A	N/A	62	231	292	N/A	N/A	62	258	320	N/A	N/A	62	261	323
Virginia	N/A	N/A	N/A	N/A	N/A	0	70	70	937	1,007	0	277	277	2,983	3,260
Washington	N/A	N/A	175	3,009	3,183	N/A	N/A	202	2,895	3,097	N/A	N/A	261	2,879	3,140
West Virginia	32	20	52	894	946	48	32	81	1,162	1,242	90	34	123	1,329	1,452
Wisconsin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	218	0	181	1,021	1,202
Total	\$6,343	\$605	\$10,428	\$74,586	\$85,014	\$6,785	\$947	\$11,355	\$79,863	\$91,218	\$8,394	\$1,758	\$14,251	\$89,009	\$103,260

NOTES: N/A indicates data not available or applicable. Some states were not able to report state-funded Medicaid expansion expenditures broken down by fund source. New Hampshire was only able to provide spending data for fiscal 2018 and fiscal 2019, which are excluded from the totals for year-over-year comparison purposes. *See Notes to Table 33 on page 81.

TABLE 34

Programmatic Changes in Medicaid, Fiscal 2019

State	Changes to Contain Costs							
	Restrict Provider Payments	Restrict benefits	Policies to Cut Costs for Prescription Drugs	Work requirements	Eligibility restrictions	Delivery system / MCO changes	Enhanced Program Integrity Efforts	Other
Alabama*								
Alaska*	X		X			X	X	X
Arizona*		X				X		
Arkansas*				X		X		
California*								
Colorado*	X	X	X				X	
Connecticut*								
Delaware								
Florida								
Georgia*								
Hawaii*								
Idaho*						X	X	
Illinois*								
Indiana	X		X	X	X		X	
Iowa*								
Kansas*								
Kentucky*		X		X	X			X
Louisiana*			X					
Maine*								
Maryland*	X							
Massachusetts*			X			X	X	
Michigan*								
Minnesota*							X	
Mississippi*								
Missouri			X			X	X	
Montana							X	
Nebraska*								
Nevada								
New Hampshire				X		X	X	
New Jersey*						X		
New Mexico*								
New York*	X	X	X			X	X	
North Carolina*								
North Dakota*								
Ohio*			X				X	
Oklahoma*							X	
Oregon*								
Pennsylvania*			X			X	X	
Rhode Island*	X					X	X	X
South Carolina*							X	
South Dakota*				X				
Tennessee*			X				X	X
Texas*			X				X	
Utah*				X	X	X		
Vermont*	X					X	X	
Virginia*				X	X		X	
Washington*			X					X
West Virginia*						X	X	
Wisconsin*								
Wyoming*							X	
Total	7	4	12	7	5	14	20	5

NOTES: *See Notes to Table 34 on page 81.

Table 34 continues on next page.

TABLE 34 (CONTINUED)

Programmatic Changes in Medicaid, Fiscal 2019

State	Changes to Enhance Program				
	Increase Provider Payments	Expand or Restore Benefits	Initiatives to expand access to behavioral health	Delivery system / MCO changes	Other
Alabama*			X		X
Alaska*		X	X	X	
Arizona*	X		X	X	
Arkansas*			X	X	X
California*					
Colorado*	X	X	X		
Connecticut*					
Delaware					
Florida					
Georgia*	X				X
Hawaii*	X				
Idaho*	X	X			
Illinois*	X		X		
Indiana	X	X	X		
Iowa*	X	X	X		
Kansas*	X				
Kentucky*				X	
Louisiana*	X	X		X	
Maine*	X	X	X		X
Maryland*	X	X			
Massachusetts*	X	X	X	X	
Michigan*					
Minnesota*					
Mississippi*					
Missouri	X		X	X	
Montana	X	X			
Nebraska*					
Nevada					
New Hampshire	X	X	X	X	
New Jersey*	X				
New Mexico*					
New York*	X	X	X	X	
North Carolina*	X				
North Dakota*	X				
Ohio*	X	X	X	X	
Oklahoma*	X	X	X		
Oregon*			X		
Pennsylvania*	X			X	
Rhode Island*					
South Carolina*	X	X			
South Dakota*	X	X	X		
Tennessee*					
Texas*			X	X	
Utah*	X	X	X	X	
Vermont*	X		X	X	
Virginia*	X	X	X		
Washington*	X	X	X		
West Virginia*	X	X			
Wisconsin*					
Wyoming*	X				X
Total	31	20	22	14	5

NOTES: *See Notes to Table 34 on page 81.

TABLE 35

Medicaid Programmatic Changes: Fiscal 2020 Recommended

State	Changes to Contain Costs							
	Restrict Provider Payments	Restrict benefits	Policies to Cut Costs for Prescription Drugs	Work requirements	Eligibility restrictions	Delivery system / MCO changes	Enhanced Program Integrity Efforts	Other
Alabama*				X				
Alaska*	X	X				X	X	
Arizona*				X		X		
Arkansas*								
California*								X
Colorado*	X	X	X				X	
Connecticut*	X		X				X	X
Delaware								
Florida								
Georgia*							X	
Hawaii*								
Idaho*			X		X	X	X	
Illinois*								
Indiana	X		X	X	X		X	
Iowa*								
Kansas*								
Kentucky*								X
Louisiana*								X
Maine*								
Maryland*	X							
Massachusetts*			X			X	X	
Michigan*	X		X	X	X		X	
Minnesota*	X							
Mississippi*				X			X	
Missouri			X			X	X	
Montana			X				X	
Nebraska*			X					
Nevada								
New Hampshire				X		X	X	
New Jersey*						X	X	
New Mexico*								
New York*	X	X	X			X	X	
North Carolina*								
North Dakota*								X
Ohio*	X		X	X		X	X	
Oklahoma*								
Oregon*			X			X		
Pennsylvania*			X			X	X	
Rhode Island*	X					X	X	X
South Carolina*							X	
South Dakota*								
Tennessee*			X	X			X	X
Texas*								
Utah*				X	X	X		
Vermont*						X		
Virginia*				X	X		X	
Washington*			X					X
West Virginia*						X	X	X
Wisconsin*								
Wyoming*								
Total	10	3	15	10	5	15	21	9

NOTES: *See Notes to Table 35 on page 81.

Table 35 continues on next page.

TABLE 35 (CONTINUED)

Medicaid Programmatic Changes: Fiscal 2020 Recommended

State	Changes to Enhance Program				
	Increase Provider Payments	Expand or Restore Benefits	Initiatives to expand access to behavioral health	Delivery system / MCO changes	Other
Alabama*			X		X
Alaska*		X	X	X	X
Arizona*	X		X	X	
Arkansas*					
California*	X		X		X
Colorado*	X	X	X		X
Connecticut*					
Delaware					
Florida					
Georgia*					X
Hawaii*	X				
Idaho*	X	X	X	X	
Illinois*			X	X	
Indiana	X	X	X		
Iowa*	X	X	X		
Kansas*		X	X		
Kentucky*					
Louisiana*	X	X		X	
Maine*	X	X	X		X
Maryland*	X	X			
Massachusetts*	X	X	X	X	
Michigan*	X				
Minnesota*			X		
Mississippi*	X	X	X		
Missouri	X		X	X	
Montana	X	X	X	X	
Nebraska*					
Nevada	X	X	X		
New Hampshire	X	X	X	X	
New Jersey*	X	X		X	
New Mexico*	X	X	X	X	
New York*	X	X	X	X	
North Carolina*	X	X		X	
North Dakota*	X	X	X		
Ohio*	X	X	X	X	
Oklahoma*					
Oregon*			X	X	
Pennsylvania*	X			X	
Rhode Island*					
South Carolina*	X	X		X	
South Dakota*	X	X	X		
Tennessee*					
Texas*					
Utah*	X	X	X	X	
Vermont*	X		X		
Virginia*	X	X	X		
Washington*	X	X	X		
West Virginia*		X	X		
Wisconsin*	X	X	X	X	
Wyoming*					X
Total	31	27	30	19	7

NOTES: *See Notes to Table 35 on page 81.

TABLE 36

Provider Tax Increases for Medicaid Program

State	Fiscal 2019	Fiscal 2020 (Recommended)
Alabama	X	X
Alaska		
Arizona		
Arkansas		
California		
Colorado		
Connecticut		
Delaware		
Florida		
Georgia		
Hawaii		X
Idaho		
Illinois		X
Indiana		
Iowa		X
Kansas		
Kentucky		
Louisiana		
Maine	X	X
Maryland		
Massachusetts		
Michigan	X	X
Minnesota*		X
Mississippi		
Missouri		
Montana		
Nebraska		
Nevada		
New Hampshire		
New Jersey		X
New Mexico		
New York		
North Carolina		X
North Dakota		
Ohio		X
Oklahoma	X	
Oregon		X
Pennsylvania	X	X
Rhode Island		
South Carolina		
South Dakota		
Tennessee		
Texas		
Utah	X	
Vermont		
Virginia	X	X
Washington		
West Virginia		
Wisconsin		
Wyoming	X	
Total	8	13

NOTES: *See Notes to Table 36 on page 90.

TABLE 37

States with a Medicaid Consensus Forecasting Process

State	Description of Process
Alaska	Fiscal Year 2020 Budget and Governors spending bills are under discussion with legislature. Previous years legislative staff and members assisted in forecasting reports Medicaid Enrollment & Spending in Alaska and the Annual Projection tool.
Connecticut	Staff from the Governor's budget office, the Office of Policy Management (OPM), and legislative staff from the Office of Fiscal Analysis (OFA) are statutorily required to produce, three times annually, a consensus revenue forecast for the current biennium and the next three ensuing fiscal years. A significant part of that forecast is the federal grants estimate, which necessitates forecasting Medicaid reimbursements. Consensus revenue forecasts are required on or before November 10th, January 15th, and April 30th. Pursuant to state statute, if OPM and OFA are unable to achieve consensus, the Comptroller must issue a revenue estimate that is equal to or between the OPM and OFA estimates; to date, this provision has not been required as OPM and OFA have never failed to reach a consensus.
Florida	The consensus forecasting process for Medicaid includes the Social Services Estimating Conference (SSEC). The SSEC is within the legislative branch, and the membership consists of principals and participants. The principals are staff of the Executive Office of the Governor, Office of Economic and Demographic Research, Senate and House of Representatives. A participant is anyone who is invited to participate in the consensus estimating conference by a principal. The information developed by the SSEC is used to carry out the duties under Florida's planning and budgeting system. The information related to the SSEC includes forecasts of social services caseloads, utilization, and expenditures and includes, but is not limited to, cash assistance and Medicaid caseloads. Sessions may be convened (1) for the Governor; (2) for the Legislature; (3) to review official information; (4) to consider special impacts; or (5) following each regular session of the Legislature.
Idaho	Ongoing legislative intent language in annual Medicaid appropriations bill requiring monthly Medicaid tracking reports. MEDICAID TRACKING REPORT. The Department of Health and Welfare, Medicaid Division and Indirect Support Services Division, shall deliver on a monthly basis to the Legislative Services Office and the Division of Financial Management a report that compares the Medicaid budget as appropriated, distributed by month for the year, to actual expenditures and remaining forecasted expenditures for the year. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management.
Indiana	A third party actuary builds most of the forecast with input from the executive branch and legislative caucuses. This consensus forecast is used for all versions of the budget.
Iowa	The state Medicaid agency (Department of Human Services), Legislative Services Agency, and Governor's Budget Office (Department of Management) meet quarterly to develop a consensus Medicaid estimate.
Kansas	Division of Budget, Legislative Research, and Medicaid Division meet twice annually.
Kentucky	We have a consensus forecasting process but it does not include Legislative Staff. It consists of staff from the offices of State Budget Director, Cabinet for Health and Family Services, and the Department for Medicaid Services.
Louisiana	Medicaid Sub-committee Forecast: Under the law, the Medicaid Sub-committee is responsible for developing the Medicaid forecast and reviewing information related to the Medicaid program. The forecast consists of three parts: 1. — Enrollment forecast; 2. — Short Term Payments consisting of current forecast and continuation need for the next fiscal year; 3. — Long-range Payments forecast for the next three out years.
Michigan	Each May the State Budget Office works with the non-partisan legislative fiscal agencies (House Fiscal Agency and Senate Fiscal Agency) to come to consensus on funding need for Medicaid for the remainder of the current fiscal year and for the upcoming fiscal year.
New York	The Executive works with the Legislature to develop and maintain a balanced Medicaid budget.
North Dakota	The Executive branch proposes the biennial budget. During the legislative session, the legislative branch may make adjustments to the executive branch proposal. Once the biennial budget is authorized/appropriated by the legislative branch, the Executive branch is responsible for all forecasting. Interim reports are provided to the legislative branch as requested.
Oklahoma	Agency discuss and present the Medicaid budget and Performance review with legislative staff every fiscal year during legislative sessions and work closely with Senate and House of Representatives for various decisions making.
Rhode Island	Rhode Island has a bi-annual Consensus Caseload Estimating Conference within the first ten (10) days of May, and November of each year. The Conference has three principal members: the State Budget Officer, the House Fiscal Advisor, and the Senate Fiscal Advisor. No votes are taken during the conference and all principals must agree and are bound by the conference recommendations. The process is described in RI General Law Title 35, Chapter 17, Sections 1–6 and available here: http://webserver.rilin.state.ri.us/Statutes/TITLE35/35-17/INDEX.HTM The primary purpose of regularly scheduled conferences is to forecast medical assistance and public assistance caseloads. The chairperson of the Conference rotates among the three principals, with the chairperson responsible for preparing a final report of the conference containing the consensus estimates agreed to by the conferees.
Utah	Representatives from the legislative fiscal analyst's office, Governor's office, and the Dept. of Health prepare enrollment forecasts and agree upon a consensus forecast that includes enrollment growth and mandatory program changes.
Vermont	The Agency of Administration and the Agency of Human Services works in conjunction with the legislative staff from the Joint Fiscal Office to develop estimated caseloads and estimated per-member-per-month expenditures for the current and succeeding fiscal years for each Medicaid enrollment group (32 V.S.A. § 305a).
Washington	The Forecast is developed by a multi-agency workgroup including the Office of Financial Management, Health Care Authority, Legislative staff from the Senate and House finance committees, Caseload Forecast Council, and Office of the State Actuary.

CHAPTER 4 NOTES

Notes to Table 31: Medicaid Expenditures By Fund Source

Connecticut	Note: The Medicaid appropriation in the Department of Social Services (DSS) is “net funded” while other Medicaid expenditures remain gross funded, with federal funds deposited directly to the State Treasury. (Funding for the Hospital Supplemental Payments account in DSS was net funded in FY 17 but is gross funded beginning in FY 18.) With the exception of enhanced FMAP available for certain populations and services, CT’s FMAP is 50%. Includes Medicaid expenditures for administrative services organizations and fiscal intermediaries in DSS. Excludes state portion of Medicare Savings Program and School Based Child Health as those expenditures are netted out of federal Medicaid reimbursement. Also excludes provider taxes, which are deposited directly to the State Treasury.
Massachusetts	Includes spending/FFP on Medicaid programmatic expenditures claimed as Admin (e.g., transportation).
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 will tend to make Ohio’s GRF revenue and expenditures look higher relative to most other states that don’t follow this practice.

Notes to Table 33: Medicaid Expansion Expenditures, Fiscal 2018 to Fiscal 2020

Arkansas	Arkansas does not track expenditures specifically between general funds and other state funds for the expansion population. The separation in survey is based on the split in 2018 actual and 2019 & 2020 estimates.
California	These amounts reflect the cost for the “newly eligible population” only, as the state does not separately identify costs for the “not newly eligible population.” Based on a revised methodology for the newly eligible population, only General Fund and Federal Funds are calculated.
Massachusetts	Numbers reflect portion of total Group VIII Medicaid expenditures reported in M1a, and do not reflect total Group VIII expenditures as reported on the CMS-64.
Michigan	General fund resources have been replaced by other non-federal funding sources in the Healthy Michigan Program, Michigan’s Medicaid Expansion program.

Notes to Table 34: Fiscal 2019 Programmatic Changes in Medicaid and Table 35: Recommended Fiscal 2019 Programmatic Changes in Medicaid

Alabama	Program Enhancements: Implemented ICN — Long term care case management system with incentives for Home based services in 2019 and similar ACHN case management system for acute care planned for 2020 with incentives for care coordination, cost effectiveness and quality
Alaska	Other (FY 2019) — Increase availability of beds for suffers of substance abuse withdrawals and mental health issues. Other (FY 2020) — 4. MITA 3.0 systems and software upgrade and Tech Stach systems and software, purpose is to replace worn or out dated equipment. Expected effect increase administrative cost. Fiscal 2019 Cost Containment: 1. Medicaid Provider Rate cuts, expected effect administrative cost decrease 2. Pharmacy Profession Dispensing Fee the purpose is to reimburse pharmacist for their cognitive efforts for drug regimen review, updating preferred Drug lists and adding ambulatory infusion centers to expand service access and reduce cost of services 3. Coordinated Care Demonstration Project — its purpose is to assess efficacy of proposed health care delivery models with respect to cost, access and quality of care. Expected effect, increase administrative costs 4. 1115 Waiver improve access to preventive and lower-acuity services. improve population health outcomes and contain costs. Expected effect decrease administrative costs. Fiscal 2020: 1. Medicaid Provider Rate Cuts, expected effect administrative cost decrease 2. Reducing Medicaid benefits (Adult Preventative Dental) in effort to contain costs. Expected effect decrease administrative costs. 3. MCO purpose provide one on one case management services, expected effect increase administrative cost 4. Contract with ASO (Administrative Service Organization) to improve consistency of screening, standardize & streamline document requirements. Expected effect increase administrative costs. Fiscal 2019

Program Enhancements: 1. Expanded waivers added Community First Choice & Individualized Supports Waiver its purpose was to better serve those with intellectual and developmental disabilities and foster skills training for independence and self-care. Expected effect Administrative Cost Increase. 2. Behavioral Health Redesign purpose to improve access to supports redesign intake, assessment, support planning and eligibility process. Expected effect administrative cost increase 3. Administrative Services Organization Contract, its purpose is part of Alaska's Behavioral Health Redesign, expect increase in Administrative Costs. Fiscal 2020 1. Increase availability of beds for sufferers of substance abuse withdrawals and mental health issues. 2. Behavioral Health System Reform, 1115 Waiver purpose to reduce cost, expand efforts and success rates for reducing need for crisis driven and urban based emergency, acute and residential care. Expected effect decrease administrative cost. 3. MCO purpose provide one-on-one case management services, expected effect increase administrative cost.

Arizona

Cost Containment: Prior Quarter Coverage is being eliminated effective 5/1/19. AHCCCS Works community engagement requirements are anticipated to go into effect in CY 2020. MCO integration of physical health (PH) and behavioral health (BH) continues to occur, bending the long-term cost curve to contain costs. MCO Value Based Payment (VBP) initiatives continue to grow, including requirements to shift toward a shared risk model over time. The administration is currently considering changes to increase the transparency of PBM contracts. Program Enhancement: Provider rates for Home and Community Based Services (HCBS) providers and Nursing Facilities (NFs) continue to be increased annually, as the state's minimum wage increases. Further rate increases were also implemented for NFs and Behavioral Health Residential Facilities (BHRFs) in SFY 19. Differential Adjusted Payments (DAPs) continue to be implemented, providing targeted rate increases to specific providers who meet established performance criteria. In SFY 19, a new appropriation was added to promote BH services provided in a school setting. Capitation rates continue funding for BH access to care initiatives, and include new funding for projected increases for applied behavior analysis (ABA) services, policy changes related to BH NEMT, and reimbursement for Social Determinants of Health (SDOH) screenings. MCO integration of PH and BH services continues to occur, reducing system fragmentation and improving the delivery of services to members.

Arkansas

Other (Fiscal 2019): DHS is implementing a rate review process for all provider types where rates will be reviewed every 4 years. Fiscal 2020 will be the first year of these rate reviews. The State will implement the PASSE (Provider-Led Arkansas Shared Savings Entity) program for individuals with complex behavioral health and intellectual and developmental disabilities service needs. SPA/1915(b) waiver, 1915(i) waiver — PASSE entities can count up to 5% of the cost of "community investments" as benefit expenditures rather than administrative costs. Allowable community investments include, but are not limited to, activities that address: behavioral health integration, behavioral health workforce shortages, the limited capabilities and resources for behavioral health providers for adopting integrated health information technology, and limited adoption of behavioral health outcome improvement measures.

California

Other (cost containment) — Value Based Purchasing Program.

Value Based Purchasing Program: To increase quality and better manage the care of high cost Medi-Cal enrollees, the Budget includes \$360 million (\$180 million Proposition 56 funds) for a value-based payments program that encourages Medi-Cal managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration. No estimated change in enrollment. The Governor's Budget includes \$3 million total funds (\$1.5 million Proposition 56 Funds) to administer the program.

Other (program enhancement) — Eligibility Expansion to Undocumented Adults Ages 19 through 25.

Provider Payments: The Budget includes funds for 1) a value-based payments program that encourages Medi-Cal managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration; 2) supplemental payments for providers for trauma screenings and developmental screenings; and, 3) supplemental payments for providers for family planning services.

Expand Access to Behavioral Health: To increase quality and better manage the care of high cost Medi-Cal enrollees, the Budget creates a value-based payments program that encourages Medi-Cal managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration.

Other: The Governor's Budget proposes to expand full-scope Medicaid coverage to all eligible individuals, ages 19 through 25, regardless of their citizenship or immigration status.

Colorado

Cost Containment: FY 2019–20: Requested a rate reduction to anesthesia services, laboratory and pathology services, and diabetes test strips to rebalance to 100% of benchmarks informed by Colorado's Medicaid Provider Rate Review Advisory Committee recommendations. Requested funding for a new tool to assess the need for Private Duty Nursing and Long-Term Home Health services. This will align members with a more appropriate level of care, it is unclear whether this change will restrict or expand benefits. In FY 2018–19 the Department enacted a Health Care Affordability Roadmap to better control health care costs in the state. This roadmap included initiatives to constrain prices on prescription drugs, championing alternative payment methodologies; aligning and strengthening data infrastructure and shared systems; improving population and behavioral health; and maximizing innovation. Finally the Governor's request included administrative resources for increased oversight of the case management and host homes for individuals with Intellectual and Developmental Disabilities, eligibility determinations, increased financial oversight of the Program for All-Inclusive Care for the Elderly (PACE), resources for Managed Care Organization audits, rate setting validation for the Hospital Back-up Program, increased resources for subrecipient monitoring, and other administrative oversight initiatives.

Other (fiscal 2020) — Requested to invest in Colorado's All-Payer Claims Database to ensure its long-term stability and enhance its role in providing transparent claims data and informing health care cost-drivers and solutions in the State.

Program Enhancements: FY 2019–20: Requested a 0.75% across the board increase for all provider types. Requested targeted increases for personal care/homemaker providers, home- and community-based services, transportation services, maternity services, and preventative dental services. Increased the enrollment and access to waiver services for individuals with intellectual and developmental disabilities. Changed the policy to be able to provide kidney dialysis to non-citizens in out-patient (non-emergency room) settings for end-stage renal disease. Requested funding to pursue alternative risk-sharing payment models for primary care facilities and fully set-up electronic clinical quality measures (eCQMs) to improve care outcomes. Requested to establish the Benefits Technology Advisory Committee which will review clinical trials of medical technologies to ensure the use of evidence-based treatments and devices where appropriate and restrict less efficacious treatments.

Connecticut

Other (Fiscal 2020) — Includes savings from strengthening utilization management, as well as rebalancing efforts (beyond the base amount assumed under Money Follows the Person). Governor's budget for FY 20 includes proposals to enhance program integrity efforts, strengthen utilization management, reduce excess nursing home capacity, reduce payments for certain hospital readmissions, expand step therapy to new drug classes, implement Medicaid supportive housing benefit for high cost high need individuals, and strengthen rebalancing efforts.

Georgia

Other (FY2019 and FY2020): Previously implemented in a budget neutral manner, the state will now implement a revised Inpatient Prospective Payment System (IPPS) reimbursement model intended to avoid any adverse financial impact to Georgia's hospitals based upon historical Medicaid inpatient utilization trends.

The governor's recommended Fiscal Year 2020 budget includes additional funding for third party liability services to achieve additional financial efficiency. The enacted Fiscal Year 2019 budget included the following provider rate increases:

- Nursing homes
- Alternative living services
- Nursing home liability insurance
- Adult Day Health Centers
- Hospital Triage Payments
- Autism codes including feeding, language, learning, and severe behavior
- Add-on payment for newborn delivery in rural counties
- Select dental codes

Hawaii

Program enhancements: Provider rate increases for inpatient hospital rate, outpatient hospital rate, managed care organization rate, nursing facility rate, and home community based service rate.

Idaho

Cost Containment Changes: Set minimum requirements for laboratory tests, including genetic tests. Cost-sharing required for services related to children diagnosed with SED and have family income between 185%–300% of FPL. Align personal needs allowance standards to meet the reasonableness requirements for adults receiving benefits under the adult 1915(c) waivers. Implement fixed enrollment through PCCM to support the value-based payment model through existing Healthy Connections primary care program. Align enrollment limitations for the Medicare-Medicaid Coordinated Plan (MMCP) members, as a result of Medicare program changes impacting dual-eligible beneficiaries and standard limits to SEP. Pharmacy provider reimbursement change to include replacing one cost measure (Estimated Acquisition Cost, or EAC) with the Average Acquisition Cost (AAC), or Wholesale Acquisition Cost (WAC) in cases where the AAC is not available. Establish appropriate controls for prescriptions of opioids, including prohibition against cash payment for controlled substances from persons known to be Medicaid participants. Implement a MLTSS program in Idaho counties where there are more than two health plans for mandatory enrollment under a 1915(b) waiver to serve persons eligible for both Medicaid and Medicare. Strengthen oversight of CCOs fraud referrals/activity on a quarterly reporting basis to CMS Division of State Program Integrity Director, as part of the State's CAP.

Program Enhancement Changes: Provider rate increases for the following provider types: Developmental Disability Agencies that provide services to children; Personal care services provided in assisted living facilities; Supported living services provided by residential habilitation providers; dental services; school-based services; non-emergency medical transportation and intermediate care facilities for individuals with intellectual disability (ICF/ID). Restore full dental benefits to adults. Expand benefits to participants under the adult 1915(c) waivers to include Transition Management and Transition Services to move participants who are living in institutional settings into community settings. Expand Medicaid coverage to individuals with incomes up to 138% FPL who are between the ages of 19 and 64 years old, not receiving Medicare. Implement a MLTSS program in Idaho counties where there are more than two health plans for mandatory enrollment under a 1915(b) waiver to serve persons eligible for both Medicaid and Medicare. These programmatic changes impact both an increase in enrollment and an increase in administrative costs.

Illinois

Program Enhancement Changes: 1. Increases to selected provider reimbursement rates. 2. Invest in behavioral health and other preventive programs, such as integrated health homes, to ensure better services at the right place and at the right time. 3. Include in managed care those children under the oversight of the Department of Children and Family Services and children with certain special healthcare needs. Increased administrative costs (more state headcount) are likely related to the behavioral health initiative.

Iowa

Program Enhancements: SFY19 — expanded adult mental health services, expanded special population nursing facility payments, increased HCBS waiver rates, restored retroactive eligibility benefits for members in a nursing facility, increased home health rates.

SFY20 — increased nursing facility rates, reduce children's mental health waiver waiting list, continued expansion of adult mental health services.

Cost Containment Changes: No cost containment activities authorized by the Legislature/Governor in SFY19 and none proposed by the Governor in SFY20.

Kansas

Program enhancements — Fiscal year 2019 provider payment increases to HCBS waived services, Hospitals, and Nursing Facilities. Governor proposing Medicaid Expansion in Fiscal year 2020 and expanding community-based mental health services for children.

Kentucky

Cost Containment Changes: Other — 1915c Waiver Rate Study to be conducted (starting at end of FY18 and throughout FY20). 1115 Demonstration Waiver (Kentucky HEALTH) to be implemented in FY19 (implementation is scheduled for April 1, 2019) will restrict Vision, Dental, and Non-Emergency Transportation (NEMT) benefits, require work requirements and the payment of premiums/copays for specific eligibility populations.

Program Enhancements: Kentucky HEALTH waiver set to be implemented on 4/1/19. The Administrative cost has increased for systematic enhancements where necessary, but Kentucky is still in the Decision and Design phase of this DDI project.

Louisiana

Cost Containment changes: Other — 4.3% reduction to Public Private Partnerships (PPPs). Policies to cut costs for prescription drugs — Single Preferred Drug List (PDL).

Program enhancements: FY 19 Increase Provider Payments — Hospital Assessment through House Concurrent Resolutions each year increase hospital rates.

FY 19 Expand or restore benefits — Severe Combined Immunodeficiency (SCID) screening, a Medicaid reimbursable test added to the Newborn Screening Panel. Funding for 650 new New Opportunity Waiver (NOW) slots. Funding for 20 new Federally Qualified Health Clinics (FQHCs) and 13 new Rural Health Clinics (RHCs).

FY 19 MCO changes to enhance program — Coordinated System of Care (CSoC) moved from an administrative contract to a risk based (capitated) contract on 11/1/18.

FY 20 Increase Provider Payments — Hospital Assessment through House Concurrent Resolutions each year increase hospital rates. Increased premium tax associated with the transfer of CSoC to Medical Vendor Payments from Medical Vendor Administration.

FY 20 Expand or restore benefits — Medication Assisted Treatment (MAT) to allow expanded Medicaid coverage to all three forms of pharmacological therapies including Methadone. Funding for 10 new FQHCs and 5 new RHCs. MCO enrollment increases

FY 20 MCO changes to enhance program — Managed Care Incentive Program (MCIP) establishes the opportunity for MCOs to participate in incentive arrangements that provide incentive payments for quality reforms that increase access to health care, improve the quality of care, or enhance the health of patients and families the MCOs serve. MCO Program changes: breast pump coverage, continuous glucose monitoring, Non-Invasive Prenatal testing, Lynch Syndrome testing.

Maine

Program enhancements: Other — Medicaid expansion. Increase supplemental provider payments, codify coverage for 19 and 20-year-olds, eliminate additional eligibility requirements, raise the income level from 175% to 185% for Medicare Savings plans, reduce the wait lists for Section 21, increase reimbursement rates for certain services, increase for assisted living services, increase for cost of living adjustment for Nursing Facilities. Increases funding for opioid use disorder treatment, for case management and other ancillary services provided for substance abuse, for judges in new or existing drug courts. Expand behavioral health services with the addition of a new facility. Medicaid expansion.

Maryland

Cost containment changes: Nursing home rates will increase 3% in FY19 and FY20 instead of the higher regulation based rates.

Program enhancements: Many provider groups may receive a 3% increase for FY 19 and FY20. For FY19 expanding adult dental. FY20 expanding HCV treatment, national diabetes prevention, and continuing expanding adult dental services. No expectation of enrollment growth and administrative costs increases are minimal.

Massachusetts

Cost containment changes: Prescription drugs: enhanced supplemental rebates; enhanced formulary management, e.g. increased price transparency + negotiation tools

Program integrity: increase oversight of provider and member integrity (e.g., expanded PARIS matching) and TPL contract management initiatives

Program enhancements: Benefits: restoration of periodontal dental benefit for adults in spring 2019

BH access: Substance Use Disorder recovery supports (approved in 1115 waiver) added to managed care benefit; telehealth

Michigan

Cost containment changes:

- Restrict Provider Payments: Budget proposes reduction in the ceiling for calculation of the variable cost reimbursement rate for nursing homes (current law sets the ceiling at bed days above the 80th percentile; the FY20 budget would shift this to the 70th percentile).
- Restrict Provider Payments: The FY20 recommendation reduces the administrative component of contracted health plan rates associated with the administration of the pharmacy benefit to achieve a \$5 million GF savings.
- Reduce Costs for Prescription Drugs: The FY 20 budget recommendation assumes savings associated with more appropriate management of the Medicaid pharmacy benefit. Michigan has implemented changes to limit certain opioid prescriptions to 7 days without prior authorization, and has aligned Morphine Equivalent Daily Dose (MEDD) limits in Medicaid PA standards with current Centers for Disease Control guidelines.

- **Work Requirement:** Michigan is actively working to implement a new work participation requirement for non-exempt enrollees in the Healthy Michigan Plan (Michigan's ACA expansion program). The work participation requirement was established during the previous legislative term and the waiver authorizing the HMP work requirement was approved by CMS in December of 2018.
- **Eligibility Restrictions:** Michigan will be implementing a recently approved waiver that will establish higher premium requirements for Healthy Michigan Plan enrollees with income above 100% FPL who have been enrolled in the program more than 48 months. Non-compliance with the premium requirement will lead to disenrollment from the program.
- **Enhanced Program Integrity Efforts:** Michigan is assuming increased Medicaid program recoveries and avoided costs associated with expansion of current program integrity efforts administered through the Department of Health and Human Services Office of Inspector General to claims processed through contracted health plans. This change is possible through contract changes with health plans negotiated last year.

Program enhancements: ****Increase Provider Payments:** Michigan is implementing a change in how the capital component of nursing facility reimbursement is calculated starting in FY20. This updates the construction cost trend variable that underlies annual adjustments in nursing facility capital reimbursement.

Minnesota

Cost containment changes: Data matching to be implemented January 2019 to check for unreported income. Pending legislation places limits on nursing facility indexed rate increases.

Program enhancements: Proposed expansion of certified community behavioral health clinics. Proposed SUD (Substance Use Disorder) waiver intended to improve treatment options in IMD (Institute for Mental Diseases) facilities.

Mississippi

Cost containment changes: Community engagement waiver application submitted to CMS for approval December 14, 2017, and currently pending approval. Medicaid is exploring new and innovative program integrity efforts in Fiscal 2020.

Program enhancements: Some provider types may receive a nominal increase in reimbursements in Fiscal 2020. Some services may be expanded. Examples include coverage of certain services provided in institutions for mental disease (MMD) and increases to certain service limits.

Nebraska

Cost containment changes: There is proposed legislation in the Nebraska Legislature to include antidepressant, antipsychotic, and anticonvulsant prescription drugs on the preferred drug list. This will allow the state to collect drug rebates, with a total fund decrease in costs of \$1.2 million in state fiscal year 2019–20 (approximately \$622,000 in federal funds).

Program enhancements: The Governor's recommendation increased funding to address rates for providers of long-term care.

New Jersey

Cost containment changes: Contract for Managed Care oversight vendor, enhanced access to taxation data for cross-reference eligibility.

Program enhancements: Increase nursing home payment rates; increase personal care assistance rates; new reimbursements for doulas; MCO contract oversight; enhanced third party liability oversight

New Mexico

Program enhancements: 1.) Increase Provider Payments (Enrollment: no impact; Admin Cost: no impact) — Targeted provider rate increases are proposed. This is done in an effort to maintain and expand Medicaid's provider network, to incentivize care where needed, and to improve outcomes. 2.) Expand or restore benefits (Enrollment: no impact; Admin Cost: +): The New Mexico Human Services Department (HSD) plans to increase the annual limit for Community Benefit Respite, add nutritional counseling to the Agency-Based Community Benefit, and expand behavioral health services. 3.) Initiatives to expand access to behavioral health (Enrollment: no impact; Admin Cost: +) - HSD has proposed to expand and invest in telehealth models. 4.) Delivery System/ MCO changes to enhance program (Enrollment: no impact; Admin Cost: +) - HSD will continue to expand value-based purchasing as a way of improving health outcomes. Additionally, HSD plans to expand the model for care coordination, including justice involved individuals.

New York

Cost containment and program enhancement changes are interwoven. The FY 2019 reforms were primarily driven by modifications to the Medicaid long-term care program to ensure access to long-term care services and support for a growing aging population as well as incentives supporting the transition to value-based payment arrangements. These reforms are not expected to have a significant impact on enrollment but do intend to significantly decrease administrative costs. Details of the FY 2019

cost-containment actions can be found online: https://www.health.ny.gov/health_care/medicaid/redesign/2018/2018-19_enacted_budget_scorecard.htm.

The proposed actions in the FY 2020 Executive Budget include a reduction of Pharmacy Benefit Manager (PBM) costs by narrowing the gap between Managed Care Organization payments to pharmacies and the costs to the Medicaid program; transforming the nursing home patient acuity data collection process and reforming the administrative component of consumer directed FI services; investing in non-Medicaid aging support services and the implementation of an electronic visit verification system. These actions are not expected to have a significant impact on enrollment but do intend to significantly decrease administrative costs. Details of the FY 2020 cost-containment actions can be found online: https://www.health.ny.gov/health_care/medicaid/redesign/2019/docs/2019-01-23_exbudget_briefing.pdf.

North Carolina Program enhancements: The Governor is recommending expanding Medicaid, which will result in enrollment increases of 626,000. Administrative costs would also increase because of the increase in enrollment. The Governor is recommending increasing provider payments to cover Medicaid Expansion. In addition, the state is transitioning to Managed Care beginning November 1, 2019. The managed care transition is not expected to have an effect on enrollment but will increase administrative costs.

North Dakota Cost containment changes: Other — proposing to transfer Medicaid Expansion from MCO using commercial rates to Fee for Service, using Traditional Medicaid rates. The change from MCO to FFS for Expansion population is expected to result in savings for the Medicaid grant expenditures and administrative expenditures.

Program enhancements: SFY 2019, Nursing Homes received an increase in the operating margin component of their rate. SFY 2020 — Governor's budget includes inflationary increases for providers and includes services to address behavioral health such as a 1915i state plan amendment and peer support services.

Ohio Cost containment changes: The budget introduces policy changes that ensure program sustainability, improving quality, and ensuring access to care for Ohio's Medicaid enrollees. These policies are expected to have a minimal impact on enrollment and likely decrease overall costs while slightly increasing administrative costs for state fiscal year 2020.

Program enhancements: The budget is in line with the Governor's policy Initiatives by investing in kids and investing in recovery. The proposed policies of Healthy Moms and Babies, Telehealth in Schools, Wellness for Kids: Pediatric CPC, and Multi-System Youth make targeted investments in evidence-based practices to have the greatest impact on children's lives. In partnering with multiple state agencies in the RecoveryOhio initiative the department is strengthening access to care and aiming to improve outcomes for those most in need. These policies are expected to have a minimal impact on enrollment while there is a small increase in administrative costs for state fiscal year 2020.

Oklahoma Cost containment changes: Out of state services, requiring reimbursement to be the lower of the Soonercare maximum allowable fee (on the DOS rendered) or the provider's actual charge cannot exceed 100% of the Medicare allowable. Adult outpatient lab/radiology/medical services retrospective reviews for medical necessity after reaching \$500 annual cap of services

Program enhancements: Effective 10/01/2018, 4% Provider Rate increase for Long Term Care Facilities and the 3% increase for other providers as mandated in Senate Bill 1605 in SFY2019. For SFY 2020 Budget Request, OHCA recommended 12.14% Provider Rate increase to restore most practitioner rates to 100% of the physician fee schedule, enhance nursing facility rates to approximately 97% of cost, and enhance other provider rates to improve access especially in rural areas.

Oklahoma was selected and received a demonstration grant to implement Certified Community Behavioral Health Clinics (CCBHC's), which began in April of 2017 and is due to end in April of 2019. We have been partnering with ODMHSAS to develop a new state plan amendment and policy to sustain the program once the demonstration period ends. According to a survey completed by the National Council for Behavioral Health, the three CCBHC's reported that they have seen an increase in the number of patients served. These three CCBHC's reported that most of their new clients had not previously been enrolled in treatment despite having a mental health or substance use need, an indicator of these organizations' ability to expand access to care in their communities.

Oregon Cost containment changes: Policies to cut costs for prescription drugs: Partially aligned statewide preferred drug list (PDL) for select drug classes; would apply to fee-for-service and CCOs. Delivery system/MCO changes to contain costs: In 2020 Oregon will contract with new CCOs with new responsibilities for coordinating care.

Program enhancements: Delivery system/MCO changes to enhance program: In 2020 Oregon will contract with new CCOs with new responsibilities for coordinating care. Initiatives to expand access to behavioral health: In 2019 and 2020 Oregon's priority is to build a stronger behavioral health system: Improve behavioral health services; expand community services for mentally ill misdemeanor defendants; expand in-home behavioral health services for youth; and, help children achieve their potential: Expand home visiting; prevent suicide; and establish an Office of Child Health.

Pennsylvania

Cost containment changes: Policies to cut costs for prescription drugs: Pharmacy Benefit Manger Transparency Requirements, effective 1/1/19. Unified PDL, proposed effective 1/1/20. Delivery system / MCO changes to contain costs: Value Based Purchasing (7.5% effective 1/1/17, 15% effective 1/1/18, 30% effective 1/1/19). Annual Efficiency Adjustments. Annual P4P payments. Hospital Quality Incentive Program increased 7/1/18. Implementing Community HealthChoices statewide, effective 1/1/20. Enhanced program integrity efforts: TPL PRR Additional Positions, effective 7/1/18.

Program enhancements: Increase provider payments: Nursing Facility fee-for-service 1% per diem rate increase, effective 1/1/19. Ambulatory Surgical Center proposed effective 1/1/20. Early Intervention 3% increase proposed effective 7/1/19. Increase for Direct Care Workers due to proposed \$12 Minimum Wage, proposed effective 7/1/19. Payment to emergency medical services agencies in circumstances in which the member is provided treatment but not also provided with emergency transportation (Treat-No Transport), effective for all claims submitted for dates of service on or after 10/24/18. Delivery system / MCO changes to enhance program: Implementation of Community HealthChoices (Southwest region 1/1/18, Southeast region 1/1/19, remaining zones 1/1/20).

Rhode Island

Cost containment changes: Other — Hospice in a Nursing Facility. The Governor recommends a technical correction in statute that would generate annual savings of \$2.6 million in state funds in SFY 2020. Hepatitis C Treatment Cost. The Governor's recommendation recognizes savings of \$4.5 million in general revenue in FY 2020 based on the introduction of a therapeutically-equivalent generic drug for the treatment of Hepatitis C to the market.

The FY 2020 Recommended Budget includes the following budget actions, grouped based on the categories above as follows:

Provider Payments: 1) • Cortical Integrative Therapy. The Governor recommends the elimination of this state-only program for savings of \$1.0 million from general revenue in FY 2020, and annually thereafter; 2) • Nursing Home 1% COLA. The Governor recommends a one percent COLA instead of an annual adjustment of rates based on a national index, generating savings of \$3.5 million in general revenue and \$3.9 million in federal funds; 3) • Hospital Rate Freeze. The Governor recommends that hospital payment rates be frozen. This proposal would generate \$5.3 million in general revenue savings, or \$15.1 million on an all-funds basis; 4) • Inpatient Upper Payment Limit Elimination. The Governor recommends that this policy be ended for FY 2020, for savings of \$3.6 million in general revenue, and \$5.8 million in federal funds; 5) • Graduate Medical Education. The Governor recommends that state-only Graduate Medical Education Supplemental Payments be discontinued for savings of \$1.0 million;

[There is no assumed effect on enrollment for any of these initiatives/no effect on admin costs]

Delivery System: 6) Dual-Eligible Utilization Management. • This will complement care management activities implemented in SFY19. Doing so would generate general revenue savings of \$2.0 million, and additional federal funds savings of \$2.2 million; 7) • C-Section Births Reduction. This effort would result in \$0.1 million of savings in general revenue in FY 2020; 8) •MCO Performance Goal Program Elimination. The Governor recommends the generation of \$0.9 million savings in general revenue (and \$4.2 million in federal funds) by ending the performance goal program that distributed additional resources to managed-care organizations for specific achievements; 9) • Full Federally Qualified Health Center Payment (FQHC) In-Plan. The Governor recommends that the full FQHC payment be built into managed-care organization rates, for \$1.9 million savings in general revenue, and \$3.4 million in federal funds. [There is no assumed effect on enrollment for any of these initiatives/no effect on admin costs]

Program Integrity Enhanced Efforts: 10) •Estate Recovery Optimization. The Governor recommends augmenting existing policies and procedures around estate recovery to increase collections for savings estimated at \$0.2 million general revenue, and \$0.3 million in federal funds; 11) •J-Code Claiming Optimization. The Governor recommends improvements to the claiming of pharmaceutical rebates for a savings of \$0.8 million general revenue and \$1.0 million federal funds. [There is no assumed effect on enrollment for any of these initiatives/no effect on admin costs]

South Carolina

Cost containment changes: The Department is hiring more staff to its program integrity unit.

Program enhancements: Increased Provider Payments: ASD providers on 7.1.18 and 7.1.19 along with professional service providers on 7.1.19

Expand/Restore Benefits: Opioids in FY 2019 and 3 new benefits effective 7.1.19 (BRCA genetic testing, Same day sick & well visits, and Continuous Glucose Monitoring)

The 3 services above will be added to the MCO benefit effective 7.1.19 along with Opioids Treatment Programs, BabyNet/Part C, and Free-Standing I/P Psychiatric Care

South Dakota

Cost containment changes: The state has a 1115 waiver pending for a work requirement in two of the largest counties in South Dakota. The waiver proposal includes transitional services so as family income increases, families can transition successfully from the program.

Program enhancements: For FY2019, across the board inflation. For FY2020, across the board inflation plus targeted increases for the neediest providers. Substance use disorder treatment funding was added in FY2019 and will be fully funded starting in FY2020. Community health worker program funding was added in FY2019 and will be fully funded starting in FY2020.

Tennessee

Cost containment changes: Other — Implementing policies and pricing strategies to reduce unnecessary and excessive costs. TennCare is annually asked for spending reduction items. We continue to expand our fraud, waste and abuse reduction efforts. We have payment reform efforts underway that are generating savings. Also, we are continuously monitoring prescription drug utilization to find areas of abuse or needed limitations. None of these changes are expected to affect enrollment but administrative costs could be decreased slightly by these changes.

Texas

Cost containment changes: Identified opportunities for savings through reevaluating and changing the preferred drug list for drugs within the following therapeutic drug classes: antibiotics, antihistamines, glucocorticoid inhalers, pediatric vitamins and minerals, and antipsychotics.

Enhancing managed care organization oversight around network adequacy, complaints data, clinical oversight efforts and service and care coordination.

Program enhancements:

1. Added nurse practitioners and physician assistants as payable provider types for buprenorphine containing products used as part of Medication Assisted Treatment.
2. Removed hard limits on substance use disorder services for adults. Limits can now be exceeded with prior authorization demonstrating medical necessity.
3. Added peer support for mental health conditions and substance use disorder as directed by H.B. 1486 (85th Legislature, Regular Session, 2017).

All the behavioral health initiatives described above implemented on January 1, 2019. Staff will be monitoring for impacts down the road.

Enhancing MCO oversight in several areas to include network adequacy monitoring, complaints data trending and analysis, oversight of service and care coordination, bolstering clinical oversight, and reducing administrative burden for providers. HHSC has been working on several managed care oversight initiatives in the areas noted above. As a result, there may be increased costs as needs for oversight tools or other resources are identified.

Utah

Cost containment changes: The 2019 Legislature passed S.B. 96 which authorizes application for a waiver to implement a modified version of ACA Medicaid Expansion. The waiver requests enhanced federal funding (90/10) for expanded enrollment for individuals up to 100% FPL and includes work requirements, an enrollment cap, a per capita expenditure cap, and directives to utilize employer sponsored insurance. The legislation was in response to a ballot initiative (Proposition 3) which was passed in 2018 and authorized full ACA Expansion. SB96 balances Utah's sense of compassion and frugality.

Program enhancements: Accountable Care Organizations (MCOs) received capitated rate increases. Funding for Long Acting Reversible Contraceptives was provided. Intermediate Care Facilities (ICF) received funding for facility improvements. Hospice and Nursing Care Providers received rate increases. Increases are recommended for dental services, MCOs, and ICF transition funding. Expanded dental benefits to a new population (targeted adult Medicaid); mental health crisis services; telepsychiatric consultation. Widened the scope of managed care dental services and recommend integrated services in 2020.

Vermont	<p>Cost containment changes: FY19 — DSH Reduction; Expansion of ACO program (delivery system and payment reform); Re-alignment of care coordination and program integrity activities</p> <p>FY20 — Continued expansion of ACO program; Mental health payment reform</p> <p>Program enhancements: FY19 — Rate increase for Dartmouth Hospital; Delivery system reform investments; Expansion of mental and behavioral health programs in schools</p> <p>FY20 — Inflationary rate increase for nursing homes; Expansion of mental and behavioral health programs in schools</p>
Virginia	<p>Cost containment changes: As part of our Medicaid expansion effort, Virginia is seeking federal approval of an 1115 demonstration waiver that includes a 1) work and community engagement requirement; 2) premiums, co-payments and health and wellness accounts; 3) a housing and employment supports benefit. This waiver is currently being negotiated with CMS.</p> <p>Program enhancements: On January 1, 2019, Virginia expanded its Medicaid program per the provisions of the ACA and levied two provider assessments on private acute care hospitals operating in the state. Virginia also increased inpatient and outpatient payment rates to these hospitals, through supplemental payments, to cover a greater share of the cost of providing care to Medicaid recipients. It is anticipated that both enrollment and administrative costs will increase.</p>
Washington	<p>Cost containment changes: Other — Medicaid Transformation Project. HCA has created a Medicaid single preferred drug list to be implemented in a phased approach. The expected benefits include an overall reduction in prescription drug costs by maximizing rebates.</p> <p>The Medicaid Transformation Project is an agreement with the federal government which allows HCA to test new and innovative approaches to providing health care coverage which may reduce projected expenditures in the future.</p> <p>Related changes to enrollment and administrative are unknown at this time.</p> <p>Program enhancements: The Governor announced a five-year plan to transform the state's behavioral health system. His proposed budgets provide significant new resources to launch that transformative effort. The plan immediately invests in developing community capacity and treatment services. Related enrollment and administrative costs are unknown at this time.</p>
West Virginia	<p>Cost containment changes: Other — planning to implement risk adjusted rates. Enhanced program initiative (PI) efforts in 2019 includes some significant addition of staff including two high-level managers, a professional coder, an auditor/investigator to lead managed care PI efforts and an imbedded contractor specializing in PI. WV is also beginning the development of a tool to identify waste, fraud and abuse under agreement with Marshall University (MU) and will soon be adding a nurse-reviewer and project manager as a part of that effort and will also take on 4 additional auditors that will be imbedded MU employees. In 2020, WV will also implement a "finders' keepers" program to improve PI efforts under MCOs. Other — planning to implement risk adjusted rates in FY20.</p>
Wisconsin	<p>Of note, the 1115 waiver received CMS approval to implement work requirements, premiums, drug screening and other eligibility requirements for childless adults. The current administration proposed a change to the implementation schedule that precludes the implementation of these requirements.</p>
Wyoming	<p>Cost containment changes: Other — School based services being researched in 2019. Possible implementation in 2020 or after (needs statute and funding). Also, 2019 researching clubhouse mental health service. Possible future implementation. Addition of Midwife as provider type in 2019. Increased provider payment rates for ID/DD waiver providers.</p>

Notes to Table 36: Provider Tax Increases for Medicaid Program, Fiscal 2018 and Recommended Fiscal 2019

Minnesota	FY 2020 — Repeal provider tax sunset.
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OTHER STATE BUDGETING CHANGES

CHAPTER FIVE

Recommended Changes in Aid to Local Governments, Fiscal 2020

A number of states reported on changes recommended in their governors' budgets for fiscal 2020 affecting state aid to local governments as well as other changes with a fiscal impact on localities. States were asked to report on these changes organized by the following categories: 1) general aid to local governments; 2) revenue-sharing payments; 3) funding for education; 4) funding for transportation; 5) funding for other specific grant programs; 6) pension/OPEB contributions; 7) local government revenue capacity; 8) local property tax relief; and 9) other. (See Table 38)

General Aid to Local Governments. Nine governors recommended changes to general local aid programs for fiscal 2020, which consisted mostly of increases to funding for local governments to use at their discretion or for specific purposes such as infrastructure in North Carolina or judges' salaries in Arizona. Oregon and Rhode Island both reported modest reductions in general aid intended to reimburse localities for foregone revenues from nonprofit property tax exemptions.

Revenue-Sharing Payments. Five states reported on changes to revenue-sharing payments proposed for fiscal 2020. Alaska's governor proposed to eliminate shared fisheries business and landing taxes and repeal the petroleum property tax that goes to municipalities. Maine, Michigan and Tennessee reported on expected increases in shared revenues with local governments, either due to an increase in the sharing rate or projected revenue growth. Illinois noted it would continue 95% proration of state income and sales tax revenue to be shared with localities.

Funding for Education. Public education funding is typically the largest component of state spending that interacts with local government finances. Significant variation exists in how states help fund school districts and the share of K-12 spending covered by state versus local revenues. Twenty-four states reported on changes affecting education funding in fiscal 2020, nearly all of which reflected increases in funding. Changes include broad-based per-pupil increases under the state's school funding formula as well as targeted investments in priorities such as early education, teacher pay, special education, mental health, school safety, technical education, capital construction. The significant number of increases in funding and special initiatives reported here aligns with the significant proposed general fund spending

increase for education for fiscal 2020 reported separately in this survey, as discussed in Chapter 1.

Funding for Transportation. Thirteen states reported on recommended changes to transportation funds for local government, including the impacts from policy changes proposed by the governors of Alabama, Arkansas, Michigan, Ohio, and Wisconsin. A couple of proposed reductions in funding were reported as well in Alaska and Oregon.

Other Specific Grant Program Funding. Ten governors recommended mostly modest funding changes to specific grant programs for local governments in other program areas, such as law enforcement, environmental projects, economic development, broadband, and locally administered health and human services programs.

Pension/OPEB Contributions. Twelve governors recommended changes to pension and/or OPEB contributions in fiscal 2020 affecting plans that cover school districts, community colleges, law enforcement officers, and other local government employers. The items reported reflect the variances in how and whether state funding contributes to local government and school system pensions. Virtually all of the reported changes consisted of increased state contributions.

Local Government Revenue Capacity. Six governors recommended a variety of changes that would either enhance or reduce local government revenue capacity. New York's executive budget actions would increase local revenues primarily by collecting online marketplace sales taxes and enforcing out-of-state retailer sales tax collections. Minnesota proposed granting soil and water conservation districts the authority to issue property tax levies. Alaska's governor recommended eliminating the authority of municipalities to tax petroleum property in order to shift that revenue to the state.

Local Property Tax Relief. Seven states reported on proposed property tax relief efforts, including homestead exemption or tax credit increases in Arkansas and Nebraska; funding to backfill property tax revenues lost by localities due to wildfires in California; and proposed legislation to make New York's 2 percent property tax cap permanent.

Other Changes. Additional changes recommended by governors for fiscal 2020 affecting local governments include Arizona's

elimination of required county cost-sharing for juvenile corrections; efforts to improve and make more efficient county administration of the state's Medicaid program in Colorado; local impacts of Medicaid expansion in a couple of states; various tax incentives; and other changes.

Local Government Fiscal Conditions

Like state governments, local government fiscal conditions have improved in recent years, but cities and counties continue to face budgetary challenges and slow revenue growth. According to the 2018 edition of *City Fiscal Conditions* by the National League of Cities, general fund revenues grew just 1.25 percent in fiscal 2017, and are projected to flatten in fiscal 2018 (in constant, inflation-adjusted dollars). This growth in revenues is outpaced by expenditures, which grew 2.16 percent in fiscal 2017 and are budgeted to grow 1.97 percent in fiscal 2018. All major local tax sources – property tax, sales tax and income tax – grew slower in fiscal 2017 compared to the prior year, and were all expected to increase less than one percent in fiscal 2018.

Changes to Budgeting and Financial Management Practices

States reported on a variety of changes to budget and financial management practices that were enacted in fiscal 2019 or recommended by governors in their fiscal 2020 budgets.

Budget System Changes. Missouri highlighted that funding was appropriated to replace the state's budget and financial system in fiscal 2019, while North Carolina is starting the process of implementing a new financial system in fiscal 2020. Rhode Island noted that its new system was implemented in the last budget cycle, and now has plans to hire a consultant to help the state replace its HR and Payroll systems in fiscal 2020.

Budget Process Changes. In fiscal 2019, Colorado began requiring state agencies to submit long-term financial plans as part of their annual budget requests to the legislature, while Pennsyl-

vania passed a law to develop performance-based budget plans for each agency. For fiscal 2020, the governor consolidated administrative directors under the Office of Management and Budget, while Kansas's governor discontinued making budget recommendations on a biennial basis.

Workforce Policy Changes. For fiscal 2019, Colorado enacted significant changes to its pension system to eliminate the plan's unfunded liability within 30 years, and the governor recommended eight weeks of paid parental leave for all state employees in his fiscal 2020 budget. New Hampshire and Vermont governors also proposed a bi-state voluntary paid family and medical leave program.

Major Restructuring Efforts. A number of states have recently restructured or proposed restructuring primary government functions. In fiscal 2019, Nebraska consolidated staffing and functions of the Office of Chief Information Officer, while South Carolina merged the Governor's and Lieutenant Governor's offices. For fiscal 2020, Alaska proposed consolidating numerous functions and eliminating multiple divisions and programs, while North Dakota began centralizing the state's cybersecurity approach. Rhode Island established an Efficiency Commission, which has proposed merging some agencies and backroom operations, while South Carolina created two new agencies.

Statewide Review of Expenditures or Revenues. This budget cycle, Wisconsin state agencies were required to submit base budget review reports with their requests. For fiscal 2020, Colorado's governor is convening stakeholders to develop tax reform proposals and consider larger state fiscal issues, while Ohio's governor proposed a statewide review of agency functions and programs to identify areas for consolidation.

Other Changes. In fiscal 2020, Alaska modified its budget reporting to reflect shared taxes requiring appropriation as expenditures. Ohio's governor created a new initiative aimed at making state government more effective and efficient by leveraging technology.

TABLE 38

Recommended Changes in Aid to Local Governments, Fiscal 2020

General Aid to Local Governments

Arizona	Appropriate \$6.9 million to pay for 25% of county superior court judges' salaries.
Maryland	Fiscal 2020 grows by \$403.3 million (5.2%) over fiscal 2019, with further detail listed in the following categories. Note that the listed totals include all state funds (not just general).
Massachusetts	\$29.7 million (+2.7%)
New York	The FY 2020 Executive Budget provides local governments with \$42.2 billion in State support through major local aid programs and savings initiatives. This includes over \$18.5 billion for school districts, \$17.3 billion for New York City, \$4.9 billion for counties, and \$932 million for other cities, towns, and villages. The benefit for continuing the Medicaid takeover for counties and New York City is increasing by \$340 million (\$212.3 million in New York City and \$127.7 million in counties) in FY 2020.
North Carolina	\$82.8 million in local infrastructure improvements
Ohio	\$33.8M — Local Government Fund
Oregon	The Governor's Budget included a recommendation to eliminate reimbursements to counties (\$3.3 million) for the Nonprofit homes for the elderly property tax exemption.
Rhode Island	PILOT funding reduced by \$6.0 million
Wisconsin	The Governor recommended a \$337.2 million increase in general and categorical K–12 school aid and a \$200/pupil revenue limit increase. Additionally, beginning in CY20 (but paid in state FY21), increase county and municipal aid by 2% — increasing CY20/state FY21 payments by \$15.1 million.

Revenue-sharing Payments

Alaska	Eliminate shared Fisheries business & landing taxes \$-29.1M Give 50% of alcohol taxes to municipalities \$20.0M, Repeal Petroleum Property tax
Illinois	Continue 95% proration of state income and sales tax revenue sharing with local governments.
Maine	Increase in revenue sharing from 2% to 2.5%
Michigan	3.2% increase in constitutional payments and 3% in statutory payments to cities, villages, and townships; 3% increase is also recommended for statutory payments to counties.”
Tennessee	Recommended budget includes an increase in the estimate for tax revenues shared with local governments. FY20 shared revenues are projected to increase \$31.6M or 2.6% to \$1,251.2M over the FY19 revised estimate of \$1,219.6M.

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

Funding for Education

Alaska	Reduction to the foundation funding formula program -\$269.4M, Repeal one time additional foundation funding grants -\$30.0M, Repeal school debt reimbursement program -\$100.0M
Arizona	Appropriate \$89.3 million for a variety of projects including but not limited to: additional counselors, school resource officers, technical education districts, and results based funding.
California	The Governor’s Budget provides \$2 billion for a Cost-of-Living Adjustment to the Local Control Funding Formula of 3.46% over the 2018–19 level. Additionally, the proposal allocates \$576 million towards Special Education concentration grants and infrastructure improvements.
Colorado	The Governor proposed \$227 million to fund free full-day kindergarten for every child instead of the half-day kindergarten that the state currently funds. This is not a mandate, but funding will be provided to every school district who wants to offer this opportunity. This proposal frees up \$100 million of district funds that school districts in Colorado are currently diverting to provide full-day kindergarten. The Governor proposed reducing the budget stabilization factor in the school finance formula by \$77 million. This funding is in addition to the required growth in state funding for schools.
Connecticut	An increase of 17.7 million (less than 1% is proposed for technical adjustments to the Education Cost Sharing Formula
Kansas	\$529.7 million added.
Maine	Increase in funding for education of \$91.5M over fiscal year 2019 funding
Maryland	Funding for K–12, libraries, and community colleges grows by \$362.7 million (5.2%). No law changes are recommended.
Massachusetts	<p>\$200.3 million increase to direct education assistance (i.e., “Chapter 70 Aid”) in connection with a reform initiative to increase funding for school districts; \$16 million increase for charter school reimbursements</p> <p>In addition, recommends seeding a number of education investments with one-time revenues generated by the sales tax modernization initiative: \$50 million to help accelerate improvements in low-performing schools, \$30 million for school safety initiatives, and \$20 million to help districts eliminate lead from drinking water”</p>
Michigan	Increases: \$507 million for new weighted funding model; \$85 million for preschool expansion; \$25 million for early literacy coaches; \$60 million in hydration stations to provides students with clean drinking water.

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

Minnesota	<p>General Education Formula Increase: This recommendation increases the general education basic formula by 3 percent in FY20, which would increase per-pupil spending from \$6,312 to \$6,501. This proposal costs an estimated \$185.441 million in fiscal year 2020. Full Service Community Schools Grant Program: This recommendation provides \$2 million in fiscal year 2020 to re-establish funding to districts or schools for in-school, wrap-around services that aim to improve student outcomes and strengthen family stability. This grant allows schools to partner with community agencies to provide family support services such as onsite health and dental clinics and mental health services. Levy Equalization for Achievement and Integration Revenue: This recommendation creates levy equalization, which will enable districts with a very low tax base to access the additional funding provided by the Achievement and Integration program. This proposal costs an estimated \$165,000 in fiscal year 2020. Grants to Support Students Experiencing Homelessness: This proposal provides \$500,000 in fiscal year 2020 to create a new grant program which would allow districts with the highest count or concentration of students experiencing homelessness to provide additional supports to this student population. Supports include providing school supplies and hygiene items; keeping schools open late so students have a safe place to study; and hiring social workers. School Safety Revenue: This recommendation creates a new aid program which would provide school districts and charter schools with additional revenue to improve student and school security. Funds may be used for building security improvements or to hire more counselors, school resource officers, or other student support staff. This proposal costs an estimated \$5.769 million in fiscal year 2020. Special Education Funding Increase & Reform: This recommendation increases special education aid by an amount sufficient to hold the state total cross subsidy per student in average daily membership (ADM) steady at the fiscal year (FY) 2019 level of \$830 per ADM, and that the increase be allocated through an improved special education aid formula. This proposal costs an estimated \$25.440 million in fiscal year 2020. Voluntary Prekindergarten: This recommendation maintains the current level of funded voluntary prekindergarten seats at 7,160. Funding for 4,000 seats will sunset under current law. This proposal costs an estimated \$19.232 million in fiscal year 2020.</p>
Nebraska	<p>TEEOSA (formula) State Aid to Schools: Increase of \$68.5 million, 7.0% increase for FY20 over FY 20 Special education: Increase of \$2.3 million, 1% increase for fiscal 2020 over fiscal 2019</p>
New Jersey	<p>An increase in School Aid to local districts by \$423.4 million (3.0%) to \$14.6 billion. This is comprised of aid to schools, direct payments on behalf of teacher pension and healthcare costs, and school construction debt service.</p>
New Mexico	<p>The FY20 Executive budget recommendation included \$3.29 billion for public schools. This funding level is an 18.0% increase, or \$501.4 million, over FY19 funding levels for public schools. The Executive budget recommendation included a 0.5% employer contribution increase to members of the Educational Retirement Board, which is projected to cost approximately \$8.5 million. Additionally, the Executive recommendation included funding to provide all public school employees a 6% raise and to raise the minimum salaries for teachers. The recommendation for public schools also included approximately \$6.0 million to pay all public school employees a \$12 per hour minimum wage.</p>
New York	<p>The Executive Budget will provide a statewide school aid increase of \$749.3 million for the 2019–20 school year (\$282.6 million for NYC, and \$466.7 million for school districts outside of NYC). School districts will also be eligible for additional education funds through \$50 million in new competitive grants and a \$157 million Fiscal Stabilization Funds.</p>
North Carolina	<p>\$223.3 million in teacher and principal pay increases; funds go to local education authorities. Also proposes a \$2 billion capital bond for local school construction.</p>

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

North Dakota	<p>Increase the per-student payments by 2 percent each at the K–12 level</p> <p>Transition remaining school districts to the statewide funding formula over the next five years.</p> <p>Provide \$10 million to create the Teacher Incentives for Leadership in Education (TILE) program.</p>
Ohio	\$259.1M — Foundation Funding
Oklahoma	<p>Governor Stitt proposed \$70.6 million to fund a teacher pay raise of \$1,200 per teacher in addition to last year’s pay raise, as well as \$5 million for a teacher recruitment bonus program that would match up to \$5,000 for any school district that would participate in the program. The Governor also proposed providing increases necessary to fully cover increased teacher benefit costs and the state ad valorem reimbursement requirements for schools.</p>
Rhode Island	<p>Under the state’s education funding formula, the state’s contribution will increase by \$29.2 million in FY 2020 compared to FY 2019.</p>
South Dakota	2.5% increase
Tennessee	The FY19 budget includes a \$63.1M increase in aid to local education agencies.
Vermont	<p>The Governor’s fiscal year 2020 Capital Bill included the following: \$400k in E-911 school compliance grants; \$50k in emergency construction grants; \$50k for school consolidation planning grants; \$1.2M for school construction projects.</p>
Wisconsin	The Governor recommended a \$6 million increase for the Wisconsin Technical College System.

Funding for Transportation

Alabama	<p>An additional \$0.06 per gallon excise tax on gasoline and diesel fuel will begin on September 1, 2019 . This will increase by \$0.02 in 2021 and again in 2022 for a total of \$0.10 per gallon. Of this amount, county governments will receive 25% and municipalities will receive 8.33% to be used for transportation infrastructure purposes.</p>
Alaska	Reduce the Alaska Marine Highway System weeks of service -\$64.2M
Arizona	\$19.0 million to cities and counties for local transportation improvements.
Arkansas	<p>The Governor proposes to increase the motor fuel tax by 3 cents for gas and 6 cents for diesel and allocate 30% of this new revenue to cities and counties, in keeping with the traditional highway funding split.</p>
Colorado	<p>The Governor’s recommended budget included \$200.0 million in General Fund support for transportation purposes. This was enacted by S.B. 18-001 which passed during the 2018 legislative session. Some of this funding would benefit local governments. Proceeds from Certificates of Participation (COPs) from SB 17-267— and revenue increases from fuel tax, registration fees, and surcharges, which will go through the department’s regular distribution formula— will result in increased revenue to local governments. https://www.codot.gov/about/cdot101/assets-cdot-101/hutf-flow-chart/view</p>
Maryland	<p>State aid to local governments for transportation grows by \$19.7 million (8.1%). No law changes are recommended.</p>
Michigan	Propose new fuel tax to raise \$2.5 billion annually for transportation funding.

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

New York	New York City will receive a \$10.3 million increase in Metropolitan Mass Transportation Operating Assistance Fund and transit operating aid. The counties will receive a \$12.9 million increase in the Mass Transportation Operating Assistance Fund and transit operating aid.
North Carolina	Recommended \$2.5 million increase for maintenance for locally maintained roads
Ohio	\$70M — public transportation
Oregon	The Governor’s Budget included a recommendation to reduce public transportation funding by \$10.2 million.
Tennessee	Additional funding for local transportation projects is included in the revenue-sharing payments.
Wisconsin	Increase general transportation aid payments to counties and municipalities by 10.0% annually beginning in CY20 (creating a \$20.2 million increase in state payments in FY20 and a \$46.0 million increase in state payments FY21). Also increase mass transit operating aids by 10% beginning in CY20 (increasing state FY20 payments by \$2.8 million and state FY21 payments by \$11.1 million).

Funding for Other Specific Grant Programs

Alaska	Eliminate Community Initiative Matching and Human services grants -\$2.2M
Colorado	The Governor proposed \$2.5 million for the creation of a Rural Economic Grant Program to provide seed money to support early state businesses in small rural communities. Proposed \$30 million in funds to support the implementation of the Colorado Water Plan over the next three years. This funding supports a grant program directly tied to making progress on the goal and objectives of the Water Plan at a local level.
Maryland	Other significant aid programs include (a) local health which grows by \$2.7 million (5.1%) and (b) Program Open Space grants which increase by \$3.8 million (6.4%).
Michigan	Funding for new MiReconnect program, providing tuition free training for non-traditional students.
Minnesota	<p>Governor’s Capital Budget: \$428 million (34%) of the Governor’s recommended 2019 capital budget is for grants, both statutory and project-specific, to local units of government. The Governor’s recommendations for specific statutory grant programs include: \$100 million for local road improvement projects, \$100 million for local bridge repairs, \$67 million local water infrastructure, \$15 million for grants to expand municipal recycling and organics composting facilities, \$14 million to support infrastructure in public ports, \$10 million for wetland replacement, \$10 million for safe pedestrian routes to school for students, \$5 million for business development infrastructure, \$5 million for rail service improvement, \$2 million for parks and trails, \$1.5 million for public library renovations, \$750 thousand for historic preservation.</p> <p>Fraud Prevention Investigation Expansion: \$425,000 (22% increase) for a competitive grant program for counties to support the hiring of investigators for fraud prevention activities.</p> <p>Civil and Criminal Coordination for Protection of Vulnerable Adults: \$1 million (33% increase) to support county activities related to vulnerable adult maltreatment investigations.</p> <p>Pre-Trial Assessment and Supervision: \$1.108 Million (new funding) for counties that are responsible for pre-trial assessment and supervision of defendants.</p>

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

**Minnesota
(continued)**

Intensive Supervised Release: \$1.588 million to grants to Community Corrections Act Counties that provide Intensive Supervised Release services to offenders.

Community Prosperity Grant Program: \$2 million to provide grants to local and regional communities to engage in innovative economic development projects that will support economic growth and equitable prosperity. These grants will provide up to 85% in matching grants to local government units or 501(c)3 organizations that are partnering with one or more local government units.

Noxious Weed Program: \$325,000 (112% increase) for grant dollars to local governments for local weed control projects for noxious weed eradication.

Impaired Waters Technical Assistance: \$1.625 million (35% increase) for technical assistance and on-farm demonstration to local governments in order to support the adoption of conservation practices that protect and improve water quality.

Addressing Nitrate in Groundwater: \$2.585 million (24% increase) to local governments to develop and implement locally led nitrogen best management practices promotion and evaluation projects. These projects are focused on implementing prevention and mitigation of groundwater activities.

Opioid and Other Drug Overdose Prevention: \$4.875 million in new funding for grants to local governments and tribal nations for drug abuse prevention activities.

Comprehensive Suicide Prevention: \$3.050 million for community-based suicide prevention grants in communities with high disparities to suicide, grants to purchase suicide prevention curriculum for student use statewide and for evidence-based training for educators and school staff, grants to behavioral and health care organizations to treat individuals at risk for suicide, and for suicide fatality reviews to identify the scope of the suicide problem and the high risk groups.

Community Solutions for Health Child Development: \$1.530 million in new funding to local governments and tribal nations to promote health and racial equity for young children and their families.

Private Well Protection: \$400,000 (113% increase) for grants to local governments to engage in education and outreach efforts to reduce health risk from drinking water for private well owners.

Source Water Protection: \$800,000 in new funding for grants to communities to assist with surface water based systems in their source water protection planning efforts.

Nebraska

Restore \$5 million to Water Sustainability Fund, back to \$11 million level (45%); Restore funding for Water Resources Cash Fund to \$3.3 million

New York

The Downtown Revitalization Initiative funds housing, economic development, transportation, and community projects to attract and retain residents, visitors, and businesses to downtowns. Through three rounds of awards, each winning community was awarded \$10 million to develop a downtown strategic investment plan and implement key catalytic projects that advance the community’s vision for revitalization. Participating communities are nominated by the State’s 10 Regional Economic Development Councils based on the downtown’s potential for transformation. The FY 2020 Executive Budget provides \$100 million for a fourth round of the Downtown Revitalization Initiative.

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

North Carolina	\$30 million to extend broadband service in underserved communities; \$5 million for local economic development grants
Ohio	\$60M — indigent defense; \$30M — child protective services; \$5.9M — drug task forces; \$1M — sexual assault testing; \$6.8M — local probation departments
Wisconsin	Increase transit aids for seniors and disabled individuals by \$3.0 million annually beginning in state FY20. Provide \$13.2 million in state revenues plus an additional \$39 million in bond revenue for harbor improvements.

Pension/OPEB Contributions

Arizona	*\$2.4 million to the Superior Court for the cost of increased contributions for the Correctional Officer’s Retirement Plan (CORP). This funding will be a pass through for the county probation officers that are on CORP.
Arkansas	State law requires an increase in the Arkansas Teacher Retirement System employer contribution rate from 14% to 14.25% in FY20 and to 15% within four years. The state is required by law to fund the increase employer contribution rate, which has a fiscal impact of \$8M in FY20.
California	A \$3 billion payment in 2018–19 to the California State Teachers’ Retirement System (CalSTRS) on behalf of participating employers (i.e., school districts, community colleges, County Offices of Education) is proposed. Of the entire payment, approximately \$350 million will supplant employers’ required contributions to CalSTRS in each of fiscal years 2019–20 and 2020–21. The remaining \$2.3 billion will be used as a supplemental pension payment to pay down the employers’ share of the unfunded liability for the CalSTRS Defined Benefit Program. Based on current CalSTRS actuarial assumptions, the entire \$3 billion payment is expected to save employers \$6.9 billion over the next three decades.”
Connecticut	The Governor’s budget proposes a formula in which municipalities and/or local boards of education will reimburse the state for a percentage of the Teachers’ Retirement System contributions made on their behalf, reflected as \$23.9 million in revenue in FY 2020
Maryland	Retirement aid for K–12, library, and community college employees grows by \$37.6 million (4.7%). No law changes are recommended.
Michigan	Increase of \$95 million for total of \$1.3 billion to pay costs of Public School Employee Retirement Systems that would otherwise be paid by school districts.
Minnesota	Minneapolis Employees Retirement Fund Aid: Increases state contributions by \$10 million annually beginning fiscal year 2020 to the Public Employees Retirement Association related to the merger of the Minneapolis Employees Retirement Fund. This lowers required contributions by local governments in the Minneapolis region by \$10 million annually.
Nebraska	Net Pension Contributions \$1.0 million (2.5%)
New Jersey	An increase of \$12.4 million (5.9%) for Employee Benefits on behalf of Local Governments.
New Mexico	The FY20 Executive budget recommendation included a 0.5% employer contribution increase to member employers of the Public Employees Retirement Association. The projected total annual cost of this increase to local governments around New Mexico is roughly \$6.3 million.

TABLE 38 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2020

North Carolina	\$50 million proposed for OPEB liability; \$102.6 million increase in state contribution to the pension fund to match actuarial requirements
Rhode Island	The State contributes 40% towards the pension liability for teachers; in FY 2020 an additional \$5.6 million is recommended for this expense.

Local Government Revenue Capacity

Alaska	Eliminate municipal petroleum property tax exemption -\$420.4M
Florida	The various sales tax holidays are expected to decrease local government sales tax collections by an estimated \$9.3M.
Maryland	The State of Maryland provides local governments with Disparity Grants, which address the difference in the abilities of counties to raise revenues from the local income tax, which for most counties is one of their larger revenue sources. These grants grow by \$5.4 million in fiscal 2020 over fiscal 2019 (3.8%). No law changes are recommended.
Minnesota	Soil and Water Conservation District Levy Authority: Provides soil and water conservation districts the authority to issue property tax levies to fund operations, up to a maximum of \$1 million annually. This is a new revenue source for soil and water conservation districts.
New York	Executive Budget actions will have the following impacts: Collecting online market place sales tax: New York City (\$121.8 million), County (\$125.6 million) and other Municipal Governments (\$28 million). Enforcing out-of-state retailer sales tax collection: New York City (\$47.8 million), County (\$49.3 million) and other Municipal Governments (\$11 million) Discontinue the Energy Services Company (ESCO) sales tax incentive: County (\$38.1 million) and other Municipal Governments (\$7.1 million)
Wisconsin	Increase allowable county, municipal and technical college property tax levy growth to the greater of 2% or the percentage change in equalized property value due to net new construction (in contrast to current law wherein county, municipal and technical college property tax levy increases are, with exceptions, limited to the percentage change in property value due to net new construction).

Local Property Tax Relief

Arkansas	The Governor proposes to increase the Homestead Tax Credit from \$350 to \$375 per year. The state will provide additional funding to counties and schools from the Property Tax Relief Trust fund to offset this loss of local funding.
California	\$31.3 million is proposed to backfill property tax revenue lost by cities, counties, special districts, and schools in 2018–19 due to the 2018 wildfires.
Nebraska	Personal Property Tax Exemption: \$0.2 million increase, 1.4% increase for FY 20 over FY 19; Homestead Exemption: \$4.6 million increase, 5.5% increase for FY 20 over FY 19; Property Tax Credit Fund: \$51.0 million increase; 22.7% increase for FY 20 over FY 19”

TABLE 38 (CONTINUED)**Recommended Changes in Aid to Local Governments, Fiscal 2020**

New Jersey	A decrease in direct property tax relief programs of \$21.8 million (3.9%). FY2020 continues these programs unaltered. The change amount reflects the change in forecasted participation.
New York	The Executive Budget advances legislation to make the 2 percent Property Tax Cap permanent, which will result in sustained savings for property taxpayers. Combined with the Property Tax Freeze, local taxpayers have saved more than \$25 billion over 6 years.
North Dakota	Expand the state-paid economic assistance and social service pilot program from the 2017–19 biennium to a state-wide program.
Rhode Island	As part of the FY 2018 appropriations act, a new program to phase-out the local property tax on motor vehicles was enacted. The FY 2019 revised budget includes \$46.3 million and FY 2020 recommended budget includes \$78.0 million for this program.

Other Changes Impacting Local Governments

Arizona	Eliminate \$11.2 million in required County Cost Sharing Payments to operate the State Department of Juvenile Corrections.
California	\$30.2 million available for local law enforcement agencies to send peace officers and dispatchers to specified training opportunities throughout the state.
Colorado	The Governor proposed improving county administration of the State's Medicaid program by finding efficiencies in transportation administration and mailings, and increasing state incentives for improved county performance in Medicaid case management.
Minnesota	Construction Material Sales Tax Exemption: Expands the existing exemption from sales tax for construction materials purchased directly by local governments and non-profits to include certain purchases made by contractors and subcontractors on behalf of local governments and non-profits. This expanded exemption is for fiscal years 2020 and 2021 only.
Nebraska	Medicaid Expansion: \$21.4 million Gross, \$18.4 million Net increase, 2.0% increase for FY 20 over FY 19 (half-year impact)"
New York	The Cannabis Regulation and Tax Act will empower counties to participate in the adult-use Cannabis market and will allow counties and NYC to impose a 2 percent excise tax paid by the wholesaler at the time of sale to the retailer. Counties will be given the discretion to utilize the monies to improve services and/or reduce other taxes.
North Carolina	Proposed Medicaid expansion
North Dakota	\$20 million investment in the Housing Incentive Fund to support construction of affordable, multi-family housing.
Oklahoma	Governor Stitt proposed a \$10 million appropriation to the County Community Safety Investment Fund, as created by State Question 781 to allocate dollars for intervention and treatment programs to reduce incarceration rates. He also proposed \$2 million to reduce the State Emergency Fund backlog to reimburse local governments for qualifying emergency expenses.
Vermont	The Governor's fiscal year 2020 operating budget included a \$200k Downtown Tax Credit which would further stimulate private investment in the revitalization of Vermont's downtowns and village centers.

TABLE 39

Enacted Changes to Budget and Financial Management Practices, Fiscal 2019

Change to your automated budget or financial system

- Missouri** Funds were appropriated to replace the state’s budget and financial system
- Rhode Island** New system implemented last budget cycle. FY 2020 budget was the second year using the new system.

Major change in budget processes or authority

- Colorado** Beginning November 1, 2019, state agencies will be required to submit long-range financial plans to the legislature with their annual budget requests. OSPB will decide what is in the plans and will issue instructions to agencies. HB 18-1430
- Pennsylvania** Act 48 of 2017 directs the Pennsylvania Independent Fiscal Office to develop performance-based budget plans for each agency under the Governor’s jurisdiction and conduct tax credit reviews every fifth year.

Major policy proposal with respect to state workforce

- Colorado** The State enacted significant modifications to its public employee pension system to eliminate the unfunded liability within the next 30 years. These changes increased required employee contributions, reduced the COLA for all retirees, increased the service retirement eligibility for new members, and allowed school district employees to opt-into the defined contribution plan instead of the traditional defined benefits plan. SB 18-200
- Rhode Island** \$5.0 million for a job training program call Real Jobs RI

Major restructuring of primary government functions

- Alaska** Continuing to consolidate Information technology, shared services and facilities.
- Nebraska** Office of Chief Information Officer (OCIO) Consolidation of staffing and function
- South Carolina** Lieutenant Governor’s Office merged with the Governor’s Office

Statewide review of expenditures or revenues

- Wisconsin** Effective with the September 2018 biennial budget submittal, all state agencies are now required to submit a base budget review report with their requests and by no later than May 15 in even-numbered years in every biennium thereafter. These reports are required to include: (a) a description of each appropriation of the state agency; (b) for each appropriation, an accounting of all expenditures in every quarter in each of the previous 3 fiscal years; (c) for each appropriation, an analysis of whether it contributes to the mission of the agency and whether the objectives of the appropriation justify the expenditures; (d) for each appropriation, a determination of the minimum level of funding needed to achieve its objectives not to exceed the prior fiscal year’s adjusted base and an accounting of the appropriation’s current funding; and (e) a description of the agency mission or guiding principles.

TABLE 40

Recommended Changes to Budget and Financial Management Practices, Fiscal 2020

Change to your automated budget or financial system

Missouri	Funds were appropriated to replace the state’s budget and financial system
North Carolina	Starting the process of implementation of a new financial system
Rhode Island	Plans to hire a consultant to assist the state in determining replacement for HR and Payroll systems.

Major change in budget processes or authority

Alaska	Consolidated Administrative Directors under the Office of Management and Budget.
Kansas	New Governor Kelly does not continue biennial budget recommendation. 2019 Legislature has concurred although no budget bill has been passed yet.

Major policy proposal with respect to state workforce

Colorado	<p>The Governor’s recommended budget included a \$3.0 million proposal (to backfill only “critical” positions — typically in 24-7 facilities) for 8 weeks of paid parental leave for all state employees. Costs for leave for other employees would be absorbed within existing appropriations.</p> <p>Governor’s request also included targeted compensation increases for direct care positions in the Department of Human Services and Corrections. Included 3% across-the-board salary increase for state employees.</p>
Rhode Island	Continuation of funding for Real Jobs RI
Vermont	New Hampshire Governor Chris Sununu and Vermont Governor Phil Scott presented the Twin State Voluntary Leave Plan, a bi-state voluntary paid family and medical leave program creating an insurance product that is not currently offered in either state. It would be available to all business, as well as individuals, but would be anchored by the state employee workforce of both states. The benefit included in the Governor’s fiscal year 2020 budget would provide enrollees with a 60% wage replacement for six weeks for qualifying events.

Major restructuring of primary government functions

Alaska	Consolidation of procurement, HR, and investigative functions. Elimination of multiple divisions and programs.
Nebraska	Office of Chief Information Officer (OCIO) Consolidation of staffing and function
North Dakota	Begin the process of centralizing the state’s approach to cybersecurity. Creation of a statewide litigation pool to provide efficiency and coordination of unforeseen legal costs.
Rhode Island	Efficiency Commission established by Governor to identify at least \$10 million in savings for FY 2020; some of the proposals under consideration would involve merging of agencies or backroom operations (i.e. finance, HR, etc.)
South Carolina	Two new agencies were created; Department on Aging and Department of Children’s Advocacy

TABLE 40 (CONTINUED)

Recommended Changes to Budget and Financial Management Practices, Fiscal 2020

Statewide review of expenditures or revenues

Colorado	The Governor is convening stakeholders to develop a tax reform proposal and address larger issues of state fiscal and TABOR reform.
Ohio	The Governor's proposed budget includes a requirement that the Office of Budget and Management and the Department of Administrative Services review agency functions and programs to identify areas for consolidation.
Rhode Island	Establishment of efficiency commission

Other changes to budget and financial management practices

Alaska	Began reflecting shared taxes requiring appropriation as expenditures in budget reporting rather than omitting from revenue.
Ohio	The Governor's proposed budget creates Innovate Ohio which is aimed at making state government more effective and efficient by using technology to improve customer service and save tax dollars.

APPENDIX

TABLE A-1

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
SALES TAXES					
Arkansas	Extending the temporarily 1/2 cent tax to permanent tax	07-23	\$0.0	\$0.0	\$0.0
Connecticut	Expand sales tax to certain professional and other services; eliminate exemptions	07-19 to 07-21	371.0		371.0
Florida	Back to School and Disaster Preparedness Holidays	06-19 and 08-19	-36.0	0.0	-36.0
Georgia	Sales Tax Exemption	07-19	-7.7		-7.7
	Sales Tax Exemption	07-19	-15.2		-15.2
	Sales Tax Exemption	07-19	0.0		0.0
	Sales Tax Exemption	07-19	-3.0		-3.0
	Sales Tax Break	07-19	-1.0		-1.0
	Sales Tax Exemption	07-19	-3.4		-3.4
	Sales Tax Collection	07-19	0.8		0.8
Idaho	Tax on Vehicles Accessories	07-19	-1.0		-1.0
Illinois	Elimination of retailers discount	06-19	75.0		75.0
Minnesota	Modifications of Sales Tax Exemptions	07-19	-22.8		-22.8
	Transportation Funding Package	07-19	228.6		228.6
Montana	Lodging tax increase	07-19	9.0	0.0	9.0
	Rental car tax increase	07-19	2.0	0.0	2.0
New Mexico	Simplify & equalize hospital tax (all 50% gross receipts tax)	07-19	125.0		125.0
New York	Eliminate Internet Tax Advantage	09-19	170.0	7.0	177.0
	Discontinue the Energy Services Sales Tax Exemption	06-19	90.0	6.0	96.0
Tennessee	Exempt Small Gyms from Tax	07-19	-12.4		-12.4
Utah	Sales Tax Cut	07-19	-290.0		-290.0
	Water User Fee	07-19	70.0		70.0
Virginia	Wayfair		27.2		27.2
Washington	Wayfair Retail Sales Tax	01-20	34.0	0.0	34.0
Total Revenue Changes—Sales Tax			\$810.2	\$13.0	\$823.2

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
PERSONAL INCOME TAXES					
Arkansas	Income Tax Rate Decrease to be phased in	Tax Year 2021	-\$25.6	\$0.0	-\$25.6
California	Earned Income Tax Credit Expansion	01-18	-600.0		-600.0
	Federal Conformity Changes	01-19	800.0		800.0
Connecticut	Eliminate increased exemption for social security income; Eliminate exemption for pension and annuity income; Eliminate 5 year, \$500 credit for STEM college graduates; Permanently cap teachers' pension exemption at 25%	01-19	68.9		68.9
Georgia	Income Tax Credits	07-19	-38.5		-38.5
	Income Tax Deduction	07-19	-1.9		-1.9
Indiana	Veterans' Pension Exemption	07-19	-4.5		-4.5
	Teachers' Supplies Tax Credit	07-19	-10.0		-10.0
Iowa	Increase in workforce housing tax credit	07-19	-2.3		-2.3
Maryland	Expanding types of retirement income eligible for State subtraction. Subtraction capped by max social security benefit of a 65 year old.	07-19	-11.0		-11.0
	Creating subtraction for 100 percent of interest paid on student loans that is phased in over four years.	07-19	-11.3		-11.3
	Expanding the More Jobs for Marylanders programs in Opportunity Zones.	07-19	-6.0		-6.0
	Doubles the State credit for small businesses providing parental leave.	07-19	-5.0		-5.0
	Increases the State 529 contribution deduction to \$5,000 from \$2,500 with a two year phase-in.	07-19	-1.7		-1.7
Michigan	Pension Deduction Increase	01-20	-200.7	-58.1	-258.8
	Earned Income Tax Credit Increase	01-20	-76.0	0.0	-76.0
	Entity Pass-through tax	01-20	157.0	45.5	202.5
Minnesota	Minnesota's Response to the 2017 Federal Tax Changes	07-19	102.3		102.3
	Increase WFC to Offset Transportation Costs	07-19	-40.8		-40.8
	Reduce Taxes on Social Security Income	07-19	-11.1		-11.1
	Angel Tax Credit	07-19	-10.0		-10.0
Nebraska	Exclude 50% Military Retirement	01/20	-5.1		-5.1
New Jersey	Millionaire's tax	07-19		447.0	447.0
New Mexico	Increase working families tax credit	07-19	-30.0		-30.0
New York	Permanently Extend Tax Shelter Reporting; Extend Preparer Penalties for 5 years; Impose Additional Preparer Penalty	04-19	14.0	0.0	14.0
	Extend Higher Personal Income Tax Rates for Five Years	01-19	771.0	0.0	771.0
	Cap Annual Growth in STAR Exemption Benefits at Zero Percent	04-19	-166.1	106.2	-59.9
	Lower Basic STAR Exemption Income Eligibility Requirement	04-19	-191.3	66.3	-125.0
North Carolina	Enhance Historic Rehabilitation Tax Credit in disaster-declaration areas	01-19	-0.5		-0.5
Ohio	Credit for expenses incurred for lead abatement	07-19	-5.0	0.0	-5.0
	Expansion of the Earned Income Tax Credit	07-19	-38.7	-1.3	-40.0

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
PERSONAL INCOME TAXES (continued)					
Oregon	Extends tax credits that would otherwise expire.	07-19	-72.7		-72.7
	Partnership passthrough is capped at \$1 million	01-19	24.6		24.6
	Eliminate the partnership passthrough benefit for Suits & Scrubs	01-19	21.3		21.3
	Eliminate the "Gain Share" transfer to counties	07-19	33.1		33.1
South Carolina	Police Officers, Peace Officer, & Firefighters Retirement Income Tax Exemption	07-19	-9.1		-9.1
	Military Retirement Income Tax Exemption	07-19	-11.6		-11.6
Vermont	Military retirement income tax exclusion	07-19	-1.4		-1.4
Virginia	Federal tax conformity		356.2		356.2
	Refundable EITC		-206.0		-206.0
West Virginia	Eliminate Tax on Taxable Social Security Benefits	01-19	-50.0		-50.0
Wisconsin	A 10% income tax reduction for low- and middle-income filers	01/19	-421.5		-421.5
	Internal Revenue Code updates	01/19	187.9		187.9
	Eliminate capital gains deduction for higher-income filers	01/19	285.1		285.1
	Private School Tuition Subtraction Repeal	01/19	12.1		12.1
Total Revenue Changes—Personal Income Tax			\$568.2	\$605.6	\$1,173.8

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
CORPORATE INCOME TAXES					
California	Federal Conformity Changes	01-19	\$200.0		\$200.0
Connecticut	Maintain current 10% surcharge set to expire in tax year 2019; Repeal the business entity tax of \$250; Reduce cap on R&D and URA tax credits to 50.01%; Limit carryforward of new R&D tax credits to 15 years; Repeal 7/7 Program	01-19	83.4		83.4
Georgia	Income Tax Credits	07-19	-1.52		-1.52
Indiana	R&D Tax Credit Recoupling	07-19	1.5		1.5
Minnesota	Minnesota's Response to the 2017 Federal Tax Changes	07-19	466.6		466.6
	Corporate Tax Changes	07-19	6.43		6.43
New Mexico	Lift Film Tax Credit Cap	07-19	-110.0		-110.0
Oregon	Adds 5 new steps to the current minimum tax structure	01-19	31.3		31.3
Pennsylvania	Cap Net Operating Losses at 40% of taxable income accompanied by mandatory combined reporting. Reduce CNIT rate from 9.99% to 8.99%.	01-20	-7.2		-7.2
Virginia	Federal tax conformity		167.3		167.3
Wisconsin	Limit Manufacturing Credit to first \$300,000 of qualifying income	01/19	279.5		279.5
	Apportion Broadcaster Income on Audience Rather than Location of Advertisers	01/19	16.2		16.2
	Repeal Net Operating Loss Carrybacks	01/19	2.0		2.0
Total Revenue Changes—Corporate Income Tax			\$1,135.5	\$0.0	\$1,135.5

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
CIGARETTE TAXES					
Connecticut	Tax E-Cigarettes liquid at 75% wholesale	10-19	\$6.7		\$6.7
Illinois	Cigarette Tax Increase	06-19		55.0	55.0
	E-Cigarette Tax	06-19		10.0	10.0
Massachusetts	Vaping	01-20	6.0		6.0
Minnesota	Revenue Stability	07-19	2.8		2.8
Montana	Increase tax add vapes	07-19	18.0	21.9	39.9
New Hampshire	E-Cigarette Tax	07-19	4.5	0.0	4.5
New Mexico	New tax on e-cigarettes/ nicotine vaping	07-19	10.0		10.0
New York	Enact a Comprehensive Tobacco Control Policy	10-19	-2.0	4.0	2.0
Oregon	Increase the tax by \$2 per pack	01-20		95.0	95.0
Utah	Tax E-Cigarettes	07-19	20.0		20.0
Vermont	Taxation on E-cigarettes	07-19	1.0		1.0
Washington	Increase age to purchase tobacco products to age 21	01-20	-3.0	0.0	-3.0
Wisconsin	Apply Tobacco Tax to E-Cigarettes	10/19	14.9		14.9
	Tax Little Cigars as Cigarettes	10/19	2.9		2.9
Total Revenue Changes—Cigarette Tax			\$81.8	\$185.9	\$267.7
MOTOR FUEL TAXES					
Alabama	\$0.06 per gallon	09-19		\$194.0	\$194.0
Arkansas	Levied wholesale sales tax (3 cent gas, 6 cent diesel)	10-19	0.0	56.1	56.1
Michigan	Gasoline/Diesel Tax Increase	10-19	0.0	1263.7	1263.7
Ohio	Increase in the motor fuel tax	07-19	0.0	865.0	865.0
Wisconsin	Increase Motor Fuel Tax by 8 cents per gallon and restore annual indexing of tax for inflation	10/19		214.1	214.1
Total Revenue Changes—Motor Fuel Tax			\$0.0	\$2,592.9	\$2,592.9
ALCOHOLIC BEVERAGES TAXES					
Montana	Liquor tax increase	07-19	7.0		7.0
Oregon	Increases mark-up on distilled spirits by 5%	07-19	21.2		21.2
Total Revenue Changes—Alcoholic Beverages Tax			\$28.2	\$0.0	\$28.2
GAMING TAXES / LOTTERY REVENUE					
Illinois	Graduated video gaming terminal (VGT) tax rate	06-19		89.0	89.0
	Sports wagering	06-19	212.0	5.0	217.0
Massachusetts	Sports wagering	07/19	35.0		35.0
New Hampshire	Sports Betting	07-19	0.0	0.0	0.0
Total Revenue Changes—Gaming Taxes / Lottery Revenue			\$247.0	\$94.0	\$341.0

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
OTHER TAXES					
Arkansas	Vehicle Registration Fee — levy additional registration fee on hybrid and electric vehicles	10-19	\$0.0	\$1.5	\$1.5
California	Change existing State Emergency Telephone Number Account fee to a flat rate on all lines that can access 9-1-1.	01-20		85.0	85.0
	Fertilizer Fee	07-19		17.0	17.0
Connecticut	Public Utilities Tax: Eliminate exemption for gas sold to facility with 775MW of capacity; Cap credits claimed against the public utilities tax at 50.01% of liability	07-19	5.6		5.6
	Inheritance and Estate: Repeal gift tax (3-year lookback for gifts in contemplation of death); Delay estate filing from 6 months to 9 months to match federal	01-19	-42.6		-42.6
	Health Provider Taxes: Maintain Hospital User Fee at FY 2019 level of \$900 million; Implement recommendation of ambulatory surgical center tax study; Technical fix to intermediate care facilities (ICF) user fee	07-19	515.1		515.1
	Miscellaneous Taxes: Surcharge on Plastic bags of 10 cents	10-19	30.2		30.2
	Real Estate Conveyance: Increase the rate on residential real estate > \$800k to 1.5% from 1.25%	07-19	7.7		7.7
Illinois	Phase out school scholarship credit	06-19	6.0		6.0
	Legalized adult use cannabis	06-19	170.0		170.0
	Plastic bag	06-19	20.0		20.0
	Decoupling from Federal Repatriation Credit	06-19	94.0		94.0
	Managed Care Organization Assessment	06-19		390.0	390.0
Massachusetts	Deeds excise	01/20		75.0	75.0
	Manufacturers of opiates	07-19	14.0		14.0
Minnesota	Revenue Stability	07-19	13.5		13.5
	Transportation Funding Package	07-19	0.9		0.9
Montana	Investment Lic. Fee	07-19	6.0	0.0	6.0
Nebraska	Transfer from General Fund to Property Tax Credit Cash Fund to reimburse local governments for a property tax credit applied to property taxes due	07/19	-275.0		-275.0
New Jersey	Adult-use Cannabis	07-19	60.0		60.0
	Opioid Assessment-distributors & manufacturers	07-19	21.5		21.5
New Mexico	Extend internet taxation to all vendors & platforms	07-19	45.0		45.0
	Re-instate solar tax credit	07-19	-5.0		-5.0
New York	Impose a Supplemental Auto Rental Tax Surcharge	10-19	0.0	11.0	11.0
North Carolina	Extend insurance gross premiums tax to Medicaid prepaid health plans — Regular Medicaid	11-19	13.2		13.2
	Extend insurance gross premiums tax to Medicaid prepaid health plans — Medicaid Expansion	11-19	3.3		3.3
Pennsylvania	Increase annual cap of the Resource Enhancement Tax Credit from \$10 million to \$13 million.	01-19	-3.0		-3.0
Vermont	Rooms tax for online travel companies	07-19	1.5		1.5
	Downtown development tax credits	07-19	-0.2		-0.2
	Repeal Land Gains tax	07-19	-1.8		-1.8
	Raise Estate Tax exemption	07-19	-0.9		-0.9

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
OTHER TAXES (continued)					
Washington	Service Business and Occupations Tax	07-19	243.0	0.0	243.0
	Wayfair Business and Occupations Tax	01-20	10.0	0.0	10.0
Total Revenue Changes—Other Tax			\$952.1	\$579.5	\$1,531.6
FEES-BUSINESS					
Maryland	Delaying exemption of business filing fee for businesses that provide retirement savings programs to employees.	07-19	\$35.0		\$35.0
New Jersey	Corporate responsibility fee	07-19	30.0		30.0
Vermont	Financial Regulatory fees	07-19	6.0		6.0
	Utility Regulatory fees	07-19	0.6		0.6
FEES-COURT					
New York	Increase Indigent Legal Services Fund Support	04-19	\$0.0	\$66.0	\$66.0
FEES-TRANSPORTATION/MOTOR VEHICLE					
Georgia	Title Ad Valorem — Leasing	07-19	-\$23.5		-\$23.5
New York	Impose Bus Inspection Fee	04-19	1.0	0.0	1.0
	Increase Notice of Violation Fine	04-19	3.0	0.0	3.0
Wisconsin	Increase Heavy Truck Registration Fees	10/19		15.6	15.6
	Hybrid Vehicle Fee Increase	10/19		3.1	3.1
	Vehicle Title Fee Increase	10/19		15.3	15.3
FEES-USER FEES					
California	Infant Botulism Treatment and Prevention Fee Adjustment	07-19		\$3.0	\$3.0
Massachusetts	Parking fee at select properties	07-19	5.0		5.0
Vermont	Agricultural, recreational, and professional licensing fees	07-19	2.1		2.1
FEES-OTHER					
Alaska	Pioneer Homes Rate Increase	07-19	\$20.0		\$20.0
California	Licensing and Certification Fee Adjustment (Statewide)	07-19		27.0	27.0
	Los Angeles County Licensing and Certification Fee Adjustment	07-19		9.8	9.8
Connecticut	Increase annual filing fee for LLC's and LLP's from \$20 to \$100	07-19	16.0		16.0
	Add 25 cent deposit on wine and liquor glass bottles; Add 5 cent bottle deposit to nips	10-19	4.9		4.9
Minnesota	DHS Maintain Funding Structure in FY20	07-19	1.8		1.8
	DHS — Inc Bed Capacity w/in DCT's MSHS programs	07-19	6.1		6.1
	DHS — MN Sex Offender program	07-19	1.8		1.8
Total Revenue Changes—Fees			\$109.7	\$139.8	\$249.5

TABLE A-2

Recommended Revenue Measures, Fiscal 2020

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Alaska	Alcohol Tax	50% of Alcohol taxes to municipalities	7/19	-\$20.0		-\$20.0
	Other Taxes and Revenues	repealing property tax exemption for Municipal Petroleum property taxes.	7/19	420.4		420.4
	Other Taxes and Revenues	Tax shift of Fisheries Business and Landing taxes	7/19	29.1		29.1
	Other Taxes and Revenues	Repeal School Debt Reimbursement	7/19	100.0		100.0
	Other Taxes and Revenues	Repeal Project Debt Reimbursement	7/19	2.0		2.0
Arkansas	Gaming Tax	Transfer collections above \$31.2M from general revenue to highway fund. This is expected to happen FY21.	10/19	0.0	0.0	0.0
	Sales & Use Tax	Require out-of-state sellers to collect Arkansas sales tax	10-19	15.8	7.8	23.6
Colorado*	Other Taxes and Revenues	Increase tax expenditures for increasing the state's EITC from 10% to 17% in FY20 to 20% in FY21 (all in relation to the federal amount). This would be structured as a TABOR refund mechanism as a refundable tax credit.	07-19	-66.8		-66.8
	Other Taxes and Revenues	Increase tax expenditures for childcare assistance, both by increasing the federal match from 50% to 100% while expanding the income cap to \$150K. But also the creation of a new tax credit to childcare providers to target infants (age < 12 months) and for those who accomplish a certain quality rating. This would be structured as a TABOR refund mechanism as a refundable tax credit.	07-19	-23.5		-23.5
	Other Taxes and Revenues	Creation of a new tax expenditure by matching the federal American Opportunity Tax Credit (AOTC) and the Lifelong Learning Tax Credit (LLC) at 15% using state funds. This would be structured as a TABOR refund mechanism as a refundable tax credit.	07-19	-22.8		-22.8
Connecticut	Cigarette/ Tobacco Tax	Raise the age to 21 for purchase of cigarettes	07-19	-5.8		-5.8
	Fees - Other	Bring community investment act (CIA) on budget	07-19	18.5		18.5
	Other Taxes and Revenues	Town reimbursement for teachers' retirement fund	07-19	23.8		23.8
	Other Taxes and Revenues	Federal Grants: Maintain Supplemental Payments at FY 2019 level; Net Appropriate for Care 4 Kids/Child Care Development Fund; Increase in revenue attributable to Medicaid changes	07-19	126.0		126.0
	Other Taxes and Revenues	Fund Higher Education Alternative Retirement Plan; Maintain FY 2019 transfer to Mashantucket/Pequot fund	07-19	51.8		51.8
Indiana	Alcohol Tax	Redirecting GF to ATC Fund	07-19	-2.6	2.6	0.0
	Lottery Revenue	Elimination of the Build Indiana Fund	07-19	13.3	-13.3	0.0
Maine	Other Taxes and Revenues	Credit the first \$2.5M of real estate transfer tax revenue to the General Fund	07-19	2.5		2.5
	Other Taxes and Revenues	Reduces transfers from the General Fund to the Local Government Fund from 5% to 2.5%	07-19	85.2		85.2
Massachusetts*	Sales & Use Tax	Sales Tax Acceleration: updating the collection and remittance of sales tax for the state's largest vendors has the effect of generating a one-time \$200 million increase in revenues, proposed to support various one-time needs related to education	03-20	28.6	277.4	306.0

Table A-2 continues on next page.

TABLE A-2 (CONTINUED)

Recommended Revenue Measures, Fiscal 2020

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Nevada	Gaming Tax	The Quarterly Slot Tax will be diverted to the General Fund as unrestricted revenue.	07-19	1.3		1.3
	Gaming Tax	0.6 percent of the Gaming Percentage fees will be diverted to programs for prevention and treatment of Problem Gambling.	07-19	-4.7		-4.7
	Other Taxes and Revenues	The 2015 Legislature passed a provision that provides in an even numbered fiscal year that if the combined revenues from the taxes imposed by the modified business tax and the commerce tax exceed the anticipated revenues for those taxes projected by the Economic Forum by more than 4%, as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department of Taxation shall determine the modified business tax rate for both financial and mining and non-financial entities which would have generated a combined revenue of 4 percent more than the amount anticipated. The modified business tax rates for financial and mining and non-financial entities are then to be reduced in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both the financial and mining and non-financial modified business taxes for the preceding year. FY 2018 calculations determined a tax rate reduction to 1.853% for mining and financial companies and 1.378% for all others. The recommended budget proposes to keep the MBT rates the same as the current: 2% for mining and financial companies and 1.475% for all others.	07-19	48.2		48.2
	Other Taxes and Revenues	The diversion to the General Fund of the Governmental Services Tax revenues resulting from the 10 percent depreciation schedule should continue with 25 percent of the revenue to be allocated to the General Fund and 75 percent to the State Highway Fund. The transfer to the General Fund sunsets on June 30, 2019. The Executive Budget recommends extending the sunset to June 30, 2021.	07-19	21.4		21.4
New York	Fees — Other	Impose Penalty on the Use of Lead Paint	04-19	1.0	0.0	1.0
	Fees — Transportation/Motor Vehicle	Make the Waste Tire Fee Permanent	04-19	0.0	18.0	18.0
	Fees — Transportation/Motor Vehicle	Recognize Value of State Assets	04-19	0.0	5.0	5.0
	Gaming Tax	Simplify Video Lottery Gaming (VLG) Rate and Additional Commission Provisions	04-19	0.0	5.0	5.0
	Personal Income Tax	Increase Tax Return Audits	04-19	12.0	0.0	12.0
Oregon	Alcohol Tax	Doubles alcohol licensing fees	07-19	5.1		5.1
	Other Taxes and Revenues	Hospital Assessment is increased from 5.3% to 6.0%			98.0	98.0
	Other Taxes and Revenues	Health insurance and managed care tax is continued at 2%			410.0	410.0
	Other Taxes and Revenues	Subsidized employer assessment is levied on employers who do not meet threshold health care contributions on behalf of workers			119.5	119.5
Vermont	Other Taxes and Revenues	Redirection of Estate Tax from the General Fund to Special Funds in order to support Clean Water initiatives.	07-19	-8.0	8.0	0.0
	Other Taxes and Revenues	Transition of revenues from the State Health Care Resources Special Fund to the General Fund.	07-19	276.2		276.2
	Sales & Use Tax	Redirection from the Education Fund to the General Fund as a source for increases in child care subsidies.	07-19	7.0	-7.0	0.0
Virginia	Sales & Use Tax	AST move threshold to \$10 million and above		-27.2		-27.2
Washington	Sales & Use Tax	Extend Renewable Energy Incentive	1/20	-2.0	0.0	-2.0
Wisconsin	Sales & Use Tax	Require Internet Marketplaces to Collect Sales and Use Tax on 3rd Party Sales Facilitated by the Marketplace	01/20	26.8		26.8
	Sales & Use Tax	Additional Tax Auditors	10/19	14.5		14.5
Total				\$1,147.1	\$931.0	\$2,078.1

* See Notes to Table A-2 on page 123.

TABLE A-3

Enacted Mid-Year Revenue Changes by Type of Revenue, Fiscal 2019

State	Tax Change Description	Effective Date	Fiscal 2019 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
SALES TAXES					
Indiana	Sales tax exemption on hot mix asphalt	07-18	-\$2.4		-\$2.4
	Eliminates sales tax on software sold as a service	07-18	-11.5		-11.5
Maine	Marijuana Sales Tax	05-18	1.4		1.4
Michigan	Online Sales (Wayfair)	01-19	33.8	169.2	203.0
Ohio	Change exemption for property used in oil and gas production	09-18	-2.9		-2.9
Total Revenue Changes—Sales Tax			\$18.4	\$169.2	\$187.6
PERSONAL INCOME TAXES					
Indiana	Individual Income — Tax Conformity	01-18	\$45.0		\$45.0
	Individual Income — 529 Plan Credits	01-18	-22.6		-22.6
Maine	Tax Relief	12-18	-22.1		-22.1
Missouri	Top rate reduction and phase-out of the federal income tax deduction based on income levels	01-19	-1.7	0.0	-1.7
Virginia	Federal tax conformity		427.9		427.9
	Refundable EITC		-10.3		-10.3
Total Revenue Changes—Personal Income Tax			\$416.2	\$0.0	\$416.2
CORPORATE INCOME TAXES					
Indiana	Corporate Credit CY17 — Carryforward	01-18	-\$2.1		-\$2.1
	Corporate AGI — Tax Conformity	01-18	11.0		11.0
Michigan	Change in Tax Rate for Premiums — Health Insurance	10-18	-13.0	0.0	-13.0
New Mexico	Film tax credit backlog payoff	06-19	-100.0		-100.0
Virginia	Federal tax conformity		62.1		62.1
Total Revenue Changes—Corporate Income Tax			-\$42.0	\$0.0	-\$42.0
FEES					
California	Infant Botulism Treatment and Prevention Fee Adjustment	01-19		\$2.1	\$2.1
Colorado	Parks and Wildlife Fees Increase	08-18		8.8	8.8
Total Revenue Changes—Fees			\$0.0	\$10.9	\$10.9

TABLE A-4

Enacted Mid-Year Revenue Measures, Fiscal 2019

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2019 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
New Jersey	Other Taxes and Revenues	Tax Amnesty-GIT, Sales, CBT	11/18	\$186.2	67.7	\$253.9
Ohio	Personal Income Tax	Withholding change	01-19	-148	-5.1	-153.1
Rhode Island	Other Taxes and Revenues	Transfers from Quasi-public agencies	Transfer by 6/30/19	13.0		13.0
	Other Taxes and Revenues	Transfers from closed bond project accounts	Transfer by 6/30/19	1.4		1.4
	Other Taxes and Revenues	Transfer surplus funds from restricted receipt accounts	Transfer by 6/30/19	2.0		2.0
Total				\$54.6	\$62.6	\$117.2

TABLE A-5

Fiscal 2021 State General Fund, Recommended (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Arkansas*		\$6,023		\$6,023	\$5,997		\$26	
Connecticut		19,887		19,887	19,867		20	\$2,794
Hawaii	\$485	8,337		8,822	8,440		382	401
Indiana*	722	17,208	\$0	17,930	17,112	\$28	789	1,400
Nebraska	286	4,988	-243	5,031	4,738	-1	294	348
New Hampshire*	2	2,518		2,520	2,492	28	0	137
North Carolina*	75	26,069	0	26,144	25,956	188	0	1,666
North Dakota*	59	2,103	370	2,532	2,468		64	741
Ohio*	535	35,397		35,932	35,746		186	2,692
Washington*	76	26,403	-201	26,278	25,897		381	2,217

NOTES: The states listed above opted to provide fiscal 2019 data based on their governors' biennial budget recommendations. In addition, the governors of Maine, Minnesota, Montana, Nevada, Oregon, Texas, and Wisconsin recommended fiscal 2020–2021 biennial budgets. *See Notes to Table A-5 on page 123. **In these states, the ending balance includes the balance in the rainy day fund.

TABLE A-6

Fiscal 2021 Recommended Program Area Adjustments by Dollar Value (Millions)

State	K-12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Arkansas*	\$87.2	\$4.5		\$127.0	\$15.3		\$19.6	\$253.6
Connecticut*	71.5	67.0	-13.9	76.5	67.9	\$37.4	603.6	910.0
Hawaii	172.9	68.7	5.2	38.6	10.7	-11.5	498.4	783.0
Indiana*	309.5	74.1	-1.9	299.8	16.4	-2.0	165.0	860.9
Nebraska								0.0
New Hampshire								0.0
North Carolina	843.3	324.0		466.3	194.9	427.6	142.9	2,399.0
North Dakota								0.0
Ohio	343.4	177.1	-4.4	1,743.7	148.1	1.0	396.6	2,805.5
Washington*	827.0	325.0	-19.0	314.0	145.0	12.0	1,391.0	2,995.0

NOTE: The states listed above opted to provide fiscal 2021 data based on their governors' biennial budget recommendations. *See Notes to Table A-6 on page 123. Value of changes are in reference to funding level of FY 2019 enacted budget.

TABLE A-7

Strategies Used to Manage Budget, Fiscal 2021

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension/ OPEB Adjustments
Arkansas*		X						X	
Connecticut*		X					X		X
Hawaii									
Indiana*	X								
Nebraska									
New Hampshire									
North Dakota*									
Ohio									
Washington									
Total	1	2	0	0	0	0	1	1	1

NOTE: The states listed above opted to provide fiscal 2019 data based on their governors' biennial budget recommendations. *See Notes to Table A-7 on page 123. Table A-7 continues on next page.

TABLE A-7 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2021

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Arkansas*		X						
Connecticut*			X					X
Hawaii						X		
Indiana*								
Nebraska								
New Hampshire								
North Dakota*					X			
Ohio								
Washington					X	X		
Total	0	1	1	0	2	2	0	1

NOTE: The states listed above opted to provide fiscal 2019 data based on their governors' biennial budget recommendations.*See Notes to Table A-7 on page 123.

TABLE A-8

Recommended Revenue Actions by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
SALES TAXES					
Arkansas	Extending the temporarily 1/2 cent tax to permanent tax	07-23		\$0.0	\$0.0
Connecticut	Expand sales tax to certain professional and other services; eliminate exemptions	7/1/2019 – 7/1/2021	652.6		652.6
Washington	Wayfair Retail Sales Tax	01-20	58.0		58.0
Total Revenue Changes—Sales Tax			\$710.6	\$0.0	\$710.6
PERSONAL INCOME TAXES					
Arkansas	Income Tax Rate Decrease to be phased in	Tax Year 2021	-\$74.1		-\$74.1
Maine	Tax Relief	12-18	-22.1		-22.1
Connecticut	Eliminate increased exemption for social security income; Eliminate exemption for pension and annuity income; Eliminate 5 year, \$500 credit for STEM college graduates; Permanently cap teachers' pension exemption at 25%	01-19	74.4		74.4
Indiana	Veterans' Pension Exemption	07-19	-9.0		-9.0
	Teachers' Supplies Tax Credit	07-19	-10.0		-10.0
Ohio	Credit for expenses incurred for lead abatement	07-19	-5.0	0.0	-5.0
	Income tax credit for investment in qualified Ohio OpportunityZone	07-19	-30.0	0.0	-30.0
	Expansion of the Earned Income Tax Credit	07-19	-39.4	-1.4	-40.8
Total Revenue Changes—Personal Income Tax			-\$93.1	-\$1.4	-\$94.5
CORPORATE INCOME TAXES					
Connecticut	Maintain current 10% surcharge set to expire in tax year 2019; Repeal the business entity tax of \$250; Reduce cap on R&D and URA tax credits to 50.01%; Limit carryforward of new R&D tax credits to 15 years; Repeal 7/7 Program	01-19	\$23.0		\$23.0
Indiana	R&D Tax Credit Recoupling	07-19	1.5		1.5
Total Revenue Changes—Corporate Income Taxes			\$24.5	\$0.0	\$24.5
CIGARETTE TAXES					
Connecticut	Tax E-Cigarettes liquid at 75% wholesale	10-19	\$9.7		\$9.7
New Hampshire	E-Cigarette Tax	07-19	7.1		7.1
Washington	Increase age to purchase tobacco products to age 21	01-20	-6.0		-6.0
Total Revenue Changes—Cigarette Taxes			\$10.8	\$0.0	\$10.8
MOTOR FUEL TAXES					
Ohio	Increase in the motor fuel tax	07-19	\$0.0	\$865.0	\$865.0
Total Revenue Changes—Motor Fuel Taxes			\$0.0	\$865.0	\$865.0

Table A-8 continues on next page.

TABLE A-8 (CONTINUED)

Recommended Revenue Actions by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
ALCOHOLIC BEVERAGES TAXES					
Total Revenue Changes—Alcohol Taxes			\$0.0	\$0.0	\$0.0
GAMING TAXES					
New Hampshire	Sports Betting	07-19	\$10.0		\$10.0
Total Revenue Changes—Gaming Taxes			\$10.0	\$0.0	\$10.0
OTHER TAXES AND REVENUES					
Connecticut	Public Utilities Tax: Eliminate exemption for gas sold to facility with 775MW of capacity; Cap credits claimed against the public utilities tax at 50.01% of liability	07-19	\$5.6		\$5.6
	Inheritance and Estate: Repeal gift tax (3-year lookback for gifts in contemplation of death); Delay estate filing from 6 months to 9 months to match federal	01-19	-9.0		-9.0
	Health Provider Taxes: Maintain Hospital User Fee at FY 2019 level of \$900 million; Implement recommendation of ambulatory surgical center tax study; Technical fix to intermediate care facilities (ICF) user fee	07-19	515.1		515.1
	Miscellaneous Taxes: Surcharge on Plastic bags of 10 cents; 1.5c per ounce tax on sugar-sweetened beverages	10-19	189.9		189.9
	Real Estate Conveyance: Increase the rate on residential real estate > \$800k to 1.5% from 1.25%	07-19	7.9		7.9
North Carolina	Extend insurance gross premiums tax to Medicaid prepaid health plans - Regular Medicaid	11-19	201.5		201.5
	Extend insurance gross premiums tax to Medicaid prepaid health plans - Medicaid Expansion	11-19	74.9		74.9
Washington	Service Business and Occupations Tax	07-19	279.0		279.0
	Wayfair Business and Occupations Tax	01-20	20.0		20.0
	Capital Gains	07-20	975.0		975.0
Total Revenue Changes—Other Taxes and Revenues			\$2,259.9	\$0.0	\$2,259.9
FEES					
Connecticut	Increase annual filing fee for LLC's and LLP's from \$20 to \$100	07-19	\$16.0		\$16.0
	Add 25 cent deposit on wine and liquor glass bottles; Add 5 cent bottle deposit to nips	10-19	6.6		6.6
Total Revenue Changes—Fees			\$22.6	\$0.0	\$22.6

TABLE A-9

Recommended Revenue Measures, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
Arkansas	Gaming tax — Transfer collections above \$31.2M from general revenue to highway fund. This is expected to happen FY21.	10-19	\$0.0	\$0.0	\$0.0
Connecticut	Cigarette/Tobacco Tax — Raise the age to 21 for cigarettes	07-19	-5.5		-5.5
	Fees — Bring community investment act (CIA) on budget	07-19	18.5		18.5
	Other — Town reimbursement for teachers' retirement fund	07-19	49.2		49.2
	Other — Federal Grants: Maintain Supplemental Payments at FY 2019 level; Net Appropriate for Care 4 Kids/Child Care Development Fund; Increase in revenue attributable to Medicaid changes	07-19	154.3		154.3
	Other — Fund Higher Education Alternative Retirement Plan; Maintain FY 2019 transfer to Mashantucket/Pequot fund	07-19	51.5		51.5
Indiana	Alcohol Tax — Redirecting GF to ATC Fund	07-19	-2.6	2.6	0.0
	Lottery Revenue — Elimination of the Build Indiana Fund	07-19	13.3	-13.3	0.0
North Carolina	Personal Income Tax — Extend sunset of Historic Rehabilitation Tax Credit	01-19	-8.5		-8.5
Washington	Sales Tax — Extend Renewable Energy Incentive	01-20	-6.0		-6.0
Total			\$278.7	-\$10.7	\$268.0

NOTES TO APPENDIX TABLES

Notes to Table A-2: Recommended Revenue Measures, Fiscal 2019

Colorado	Under the Taxpayer's Bill of Rights (TABOR), our forecast showed that we would be required to refund money to taxpayers in both FY 2019–20 (\$260.8 M) and FY 2020–21 (\$383.6 M). Governor Hickenlooper's November 1, 2018 budget proposed changing the existing refund mechanism from the homestead exemption and sales tax refund to add the additional refund mechanisms listed in the survey response. This proposal was not adopted by the legislature. More information can be found in the budget letter: https://drive.google.com/file/d/13ZsNH4t_sZ8ILD8d2pFDdGH_e2ix0B/view
Massachusetts	Projected revenue for Sales Tax Acceleration to "General Fund" is for the Commonwealth Stabilization Fund to be consistent with the Commonwealth's accounting practices.

Notes to Table A-5: Fiscal 2021 State General Fund, Recommended (Millions)

Arkansas	25% of the ending balance will be transferred to the AR Highway Transfer Fund and the remaining 75% to the Restricted Reserve Fund.
Indiana	Expenditure adjustments include reversions from distributions, capital, and reconciliations and state agency and university line item capital projects.
New Hampshire	Expenditure Adjustments: The Governor's Recommended Budget for FY 2021 includes an estimated general fund surplus of \$27.6 million at year end with \$12.3 million of that amount to be transferred to the Rainy Day Fund and the balance of \$15.3 to be moved to the Capital Infrastructure Revitalization Fund.
North Carolina	Governor proposes transfer to the Budget Stabilization Reserve (Savings / Rainy Day Fund).
North Dakota	Revenue adjustments are transfers of \$300.0 million from the Legacy fund and \$70.0 million from other special fund sources, to the general fund.
Ohio	FY 2021 expenditures include \$443.0 million in estimated transfers out of the GRF.
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.

Notes to Table A-6: Fiscal 2021 Recommended Program Area Adjustments by Dollar Value

Arkansas	K–12 education: One of the Governor's initiatives is to increase teachers' salaries by a minimum of \$4,000 over the next 4 fiscal years.
Connecticut	K–12 education: Netted out is a reallocation of funding off budget but not reduced. Higher education: Salary increases for collective bargaining units. The Medicaid appropriation in the Department of Social Services (DSS) is "net funded" while other Medicaid expenditures remain gross funded.
Indiana	All Other — Most of this increase went to the Department of Child Services.
Washington	All Other — Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.

Notes to Table A-7: Strategies Used to Manage Budget, Fiscal 2021

Arkansas	The Governor has proposed a transformation plan to consolidate the state's 42 state agencies to 15 cabinet-level agencies.
Connecticut	Active and retiree healthcare. Pension COLA reduction. Other — Teacher's retirement changes, debt service reductions
Indiana	Agencies were instructed to use their FY 2018 spending levels as their base budget request for FY 2021
North Dakota	Transfer of \$70 million from other fund sources to the general fund

