

STATE EXPENDITURE REPORT

State Funds	Fiscal 2017 to 2018		All Funds	State Funds	Fiscal 2018 to 2019		All Funds
	Federal Funds	%			Federal Funds	%	
-5.0 %	1.7 %	2.1 %	5.3 %	3.2 %	-2.6 %		
3.1	3.3	3.1	7.1	-4.5	5.3		
3.3	1.2	3.1	5.1	1.2	4.4		



2019 STATE EXPENDITURE REPORT • FISCAL YEARS 2017-2019

9.8	-1.9	6.5	2.1	3.0
2.6	1.3	2.4	1.6	0.0
3.7	-0.6	3.1	3.1	10.1
1.8	-6.2	2.0	2.0	2.1
0.7	-0.7	0.6	5.4	1.2
				5.7
		1.2	1.2	5.9
0.9	3.0	7.4	2.4	7.8
8.4	-0.8	3.4	4.0	-2.1
3.7	-0.4	0.8	2.7	-8.2
1.4	-2.3	2.6	-0.3	-2.2
-1.1	17.3	-1.3	0.3	2.4
-1.0	-4.1	5.0	-0.4	
6.8	-0.6			34.5
			2.2	-0.6
		1.7	-2.6	2.1
	4.1	2.2	4.6	

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Preface

Since its inception in 1987, the *State Expenditure Report* has developed into a definitive baseline for the analysis of state spending. This edition of the report includes data from actual fiscal 2017, actual fiscal 2018, and estimated fiscal 2019. Expenditures reflected in this report represent more than 99 percent of total state spending.

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

Acknowledgments

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Executive Summary

Overview

This edition of the *State Expenditure Report* includes data from estimated fiscal 2019, actual fiscal 2018, and actual fiscal 2017. The report includes 50-state data broken down by fund source and program area, as well as information on state general fund revenue collections.

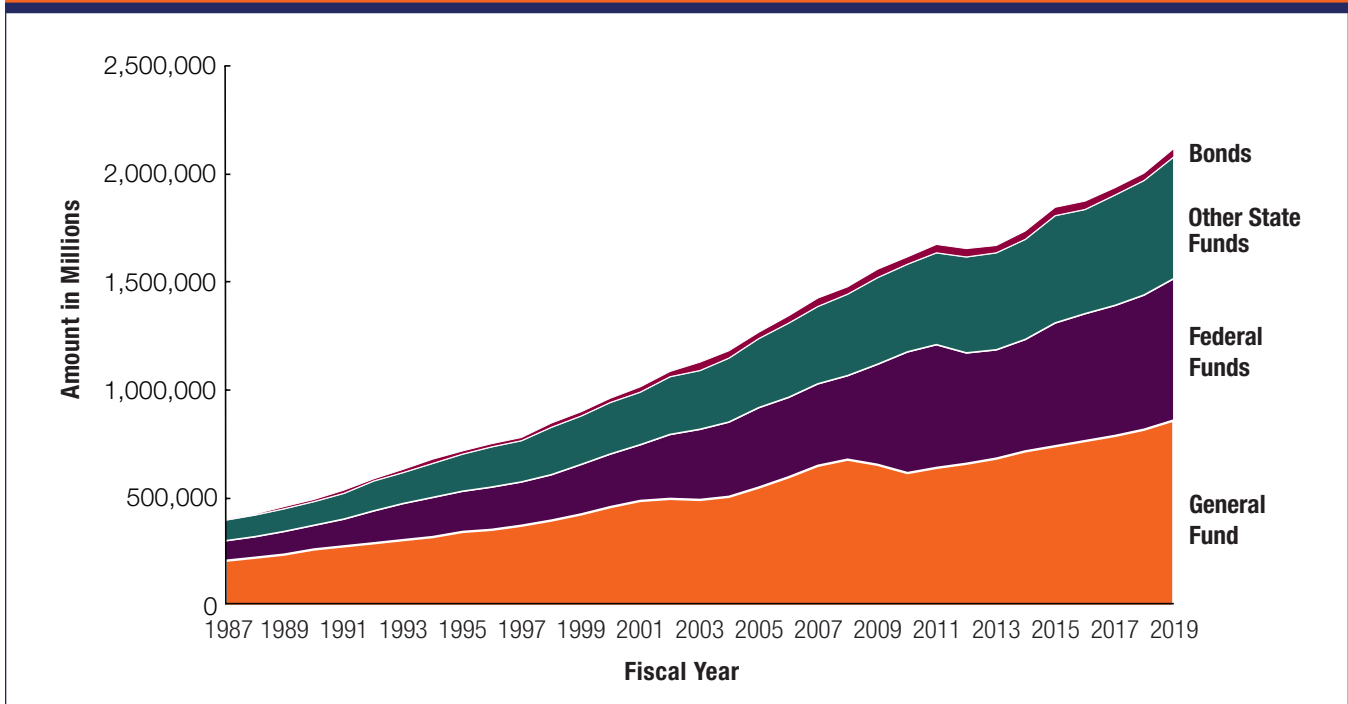
Total state spending reached \$2.1 trillion in fiscal 2019, rising from \$2.0 trillion in fiscal 2018. In fiscal 2019 it is estimated that total state spending grew 5.7 percent, slightly above the 33-year NASBO survey historical average of 5.6 percent (not adjusted for inflation). However, the median rate was lower at 4.4 percent. Seven out of eight geographic regions saw an increase in total state spending in fiscal 2019, with the Far West region having the largest increase and the Southwest region experiencing a slight decline. Spending from states' own funds (general funds and other state funds combined, excluding bonds) rose 5.9 percent in fiscal 2019, the highest annual growth rate since the last recession, while federal funds increased 4.7 percent. Once again, the median rates were lower at 5.0 percent and 3.2 percent respectively. All seven program areas experienced an increase in total state spending in fiscal 2019, with transportation and the "all other" category seeing the largest gains. In contrast to most recent years, total Medicaid spending grew at a slower rate than state spending overall. When looking at spending from state funds only, transportation and the "all other" category once again saw the strongest growth rates in fiscal 2019.

Total state spending grew by 3.4 percent in fiscal 2018, reaching more than \$2.0 trillion for the first time. Spending from state funds rose 3.7 percent while federal funds increased 3.5 percent. On a median basis, total state spending rose 3.0 percent, state funds 2.7 percent, and federal funds 2.6 percent. In fiscal 2018, all eight geographic regions saw an increase in total state spending, with the highest rate in the Rocky Mountain region and the lowest in the Plains. Nearly all program areas experienced an increase in total state spending in fiscal 2018, with Medicaid seeing the highest growth rate and public assistance experiencing a decline. Examining state funds only, transportation had the strongest growth rate in fiscal 2018, with public assistance once again being the only program area with a decline.

General fund revenue, the largest source of state expenditures and the most discretionary, totaled an estimated \$878.2 billion in fiscal 2019, a 4.2 percent increase over fiscal 2018. In fiscal 2018, general fund revenues grew 6.9 percent, representing the highest annual growth rate since fiscal 2011. The notable increases in fiscal 2018 and fiscal 2019 followed two years of slow growth from tax collections in fiscal 2016 and fiscal 2017. The three largest sources of general fund revenue collections (personal income, sales, and corporate income) all are estimated to have grown in both fiscal 2018 and fiscal 2019. The gains in personal income taxes have largely been driven by higher collections from non-wage income (capital gains, dividends, and bonuses), while the payroll withholding component has also grown. The growth in sales tax collections has been led by gains in consumption with some states also attributing part of the fiscal 2019 growth to expanded online sales tax collections. Increases in corporate income taxes, typically a volatile revenue source for states, may in part be due to changes from the federal *Tax Cut and Jobs Act* (TCJA). The TCJA also likely altered the timing of some tax collections during both fiscal 2018 and fiscal 2019. In fiscal 2018, states saw an acceleration of non-withholding income tax payments as taxpayers tried to take advantage of expiring tax breaks. While in fiscal 2019, changes in taxpayer behavior following federal tax reform altered the timing of estimated state personal income tax payments, with some states noting that certain taxpayers no longer had an incentive to pay in December and instead made higher payments with their tax returns in the spring.

The revenue surpluses that occurred in many states in fiscal years 2018 and 2019 were not known until the latter part of each fiscal year. The revenue gains near the end of the fiscal year were the primary factor in most states ending each fiscal year with a general fund surplus. One of the most prominent uses of revenue surpluses is to deposit some or all of it into the state's rainy day fund. When the revenue surplus comes at the end of the fiscal year, states will also often carry some of it forward to the next fiscal year. The higher than expected revenue gains at the end of fiscal 2018 likely contributed to the increases in state spending in fiscal 2019.

FIGURE 1:
TOTAL STATE SPENDING BY FUND SOURCE, FISCAL 1987 TO 2019



State Spending Trends

Total state spending has grown on a nominal basis each year since fiscal 2012, when total spending declined for the first time in the 33-year history of the *State Expenditure Report*, due to a wind-down in federal stimulus spending. Overall, total state expenditures (including general funds, other state funds, bonds and federal funds) declined 1.1 percent in fiscal 2012, and increased 1.0 percent in fiscal 2013, 3.8 percent in fiscal 2014, 6.4 percent in fiscal 2015, 1.4 percent in fiscal 2016, 3.6 percent in fiscal 2017, 3.4 percent in fiscal 2018, and are estimated to have grown 5.7 percent in fiscal 2019.

In contrast to many recent years, in fiscal 2019 both transportation and the “all other” category experienced stronger growth than Medicaid. This robust growth in these areas was not limited to only a handful of states; 15 states had an increase of at least 10 percent on total transportation spending, while 16 states had an increase of at least 10 percent in the “all other” category. The increase in transportation spending reflects the devotion of additional state resources to address the need for maintenance and infrastructure demands. Increases in the “all other” category in fiscal 2019 included additional spending for pension fund contributions, employee compensation, deposits to reserve funds, debt service, disaster recovery, and homelessness programs. In fiscal

2019, all program areas saw at least a moderate increase in total state spending, while in fiscal 2018 the public assistance category experienced a decline.

Nearly all geographic regions experienced increased spending from state funds, federal funds, and total funds in both fiscal 2019 and fiscal 2018. In estimated fiscal 2019, the Far West and Rocky Mountain regions experienced the highest growth in total spending at 12.5 percent and 7.7 percent respectively, likely due to population growth and increased spending demands. Only the Southwest region had a slight decline in total spending in estimated fiscal 2019, mainly attributable to a substantial decline in spending in Texas due to technical reasons associated with the state’s biennial budgeting practices. In fiscal 2018, the Rocky Mountain and Southwest regions had the largest increases in total spending at 5.8 percent and 5.2 percent respectively, while the Plains region had the slowest growth at 2.8 percent.

General Fund Spending Trends

General fund spending grew 5.4 percent in fiscal 2019, matching the 41-year historical average for general fund spending reported in NASBO’s *Fiscal Survey of States*. In fiscal 2018, general fund spending grew at slower rate at a slower rate of 3.6 percent. In both years, the median rate was lower at 4.0

percent in fiscal 2019 and 2.8 percent in fiscal 2018. Like total state expenditures, nearly all categories of general fund spending experienced gains in fiscal 2019 and fiscal 2018 with only the public assistance category declining in both fiscal 2019 and fiscal 2018. In estimated fiscal 2019, the “all other” category had the highest percentage growth at 8.8 percent, while in fiscal 2018 transportation had the highest growth level at 21.8 percent (general funds make up a very small percentage of overall transportation spending).

Federal Funds Spending Trends

Total state spending growth has been heavily impacted by changes in the level of federal funds to states over the past ten years including the passage and subsequent winding down of the *American Recovery and Reinvestment Act (ARRA)* and the enactment of the *Affordable Care Act (ACA)*. In estimated fiscal 2019, federal funds to states represented 31 percent of total state spending. Medicaid, an entitlement program, has become an increasingly growing share of federal dollars spent by state governments. Excluding Medicaid, federal funds made up 12.8 percent of total state spending in fiscal 2019, the lowest margin in the last 20 years. In fiscal 2008, Medicaid made up 43 percent of the federal funds received by states, growing to 58 percent in fiscal 2019. Aside from the Medicaid program, education and transportation reflect the next largest areas of federal fund participation in state spending at 8.6 percent and 7.1 percent respectively. Total federal fund spending is estimated to have grown by 4.7 percent in fiscal 2019, 3.5 percent in fiscal 2018, and 2.5 percent in fiscal 2017.

Federal funds have been subject to a series of two-year spending deals for the last several years. The *Bipartisan Budget Act of 2018* increased federal spending caps for federal fiscal years 2018 and 2019, injecting additional federal funding into state and local government budgets. Nondefense domestic discretionary spending in fiscal 2018 was increased by 11.6 percent and an additional 3.1 percent in fiscal 2019. Following passage of the spending agreement, Congress passed the *Consolidated Appropriations Act of 2018* which contained notable increases in many discretionary grant programs for fiscal 2018. Areas that received additional funds include disaster assistance, addressing the opioid crisis, rural broadband, education and election assistance.

States' Own Funds Spending Trends

Spending from state funds (including general funds and other state funds, but not federal funds or bonds) increased an esti-

mated 5.9 percent in fiscal 2019, 3.7 percent in fiscal 2018, and 3.8 percent in fiscal 2017. In fiscal 2019 all program areas saw at least a slight increase in spending from state funds, while in fiscal 2018 public assistance had a decline. In both fiscal 2019 and fiscal 2018, transportation had the highest growth rate at 8.9 percent and 6.7 percent respectively. In fiscal 2019, it is estimated that general funds comprised 40.8 percent of all state spending, with other state funds at 26.6 percent, bonds at 1.9 percent, and federal funds to states consisting of 30.7 percent.

Additional Report Highlights

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

- Since the beginning of the recent economic downturn and continuing through the enactment of the *Affordable Care Act*, **Medicaid** had risen as a percentage of total state spending, growing from 20.5 percent in fiscal 2008 to 29.7 percent in fiscal 2018. However, in estimated fiscal 2019 Medicaid slightly declined as a share of total state spending, falling to 28.9 percent. While total Medicaid spending rose 4.8 percent in fiscal 2019, it was outpaced by several other categories of state spending such as **transportation** (8.9 percent growth) and the “**all other**” category (7.5 percent growth). **Elementary and secondary education** remained the second largest area of total state spending in fiscal 2019, representing 19.5 percent.
- When looking only at general fund spending, **elementary and secondary education** remains the largest category in fiscal 2019, representing 35.6 percent of general fund expenditures, with **Medicaid** second at 19.7 percent. Those two categories, combined with **higher education** at 9.6 percent, account for nearly two-thirds of general fund spending.
- **Elementary and secondary education** total expenditures increased by 4.7 percent in estimated fiscal 2019 and by 3.7 percent in fiscal 2018. State funds for K-12 increased 4.7 percent in fiscal 2019 and 4.1 percent in fiscal 2018, while federal funds grew 6.1 percent in fiscal 2019 and increased 0.2 percent in fiscal 2018. Federal fund spending growth for K-12 education in fiscal 2019 is higher than in recent years, which is likely due to the effects of the last two-year federal budget agreement. As the national economy and state revenues grow, elementary and secondary education continues to receive increased funding in state budgets. Some states

are also continuing to take targeted steps to increase teacher compensation and improve teacher recruitment and retention. Other states are increasing and adjusting their school funding formulas, including adding more funding for at-risk students and special education. Early education, school safety, and student counseling are other areas where states are investing greater resources.

- Total expenditures for **higher education** increased by 3.5 percent in estimated fiscal 2019 and by 2.6 percent in fiscal 2018. State funds for higher education are estimated to have increased by 3.3 percent in fiscal 2019 and grew by 3.0 percent in fiscal 2018, while federal funds rose 3.2 percent in fiscal 2019 and increased by 3.0 percent in fiscal 2018. After a series of significant reductions beginning in fiscal 2009 through 2012, which were somewhat offset by additional federal stimulus funds, the average annual general fund spending growth for higher education has been 3.5 percent from fiscal 2013 to fiscal 2019. By comparison, total general fund spending on all program areas has grown by a similar average annual rate of 3.6 percent over the same period. Recently, states have targeted additional funds to increase operating support for institutions and to restrict tuition increases or freeze tuition rates. States are also putting more resources toward postsecondary student financial aid, including through creating or expanding state-level “Promise” programs, last-dollar scholarship programs that guarantee free tuition, typically for in-state residents only. Additionally, states are making targeted investments in career and technical education to better align their education systems with workforce demands.
- Total **public assistance** increased by 5.9 percent in estimated fiscal 2019, after declining by 3.1 percent in fiscal 2018, while the median rate was 0.3 percent in fiscal 2019 and -2.5 in fiscal 2018. The timing of expenditures may vary from year-to-year and may not reflect underlying program activity in a given year; large swings in some states often due in part to timing and reporting issues can substantially affect average spending growth rates. Public assistance represented 1.2 percent of total state expenditures in fiscal 2019. Public assistance data in this report is narrowly defined as spending on the Temporary Assistance for Needy Families (TANF) program and other cash assistance programs. Programs in the “other cash assistance” category, which includes optional state programs for Supplemental Security Income (SSI) and General Assistance, are not funded in all states, and when funded, are relatively small programs. Other human and social services program spending is captured in the “all other” category.
- Total **Medicaid** spending of \$613.1 billion for fiscal 2019 reflected an increase of \$27.8 billion over the \$585.3 billion spent in fiscal 2018, a 4.8 percent increase. Spending from state funds increased by 3.9 percent and federal fund spending grew by 5.3 percent in fiscal 2019. The overall spending growth rate for total Medicaid expenditures was 4.5 percent in fiscal 2018 with state funds growing 5.3 percent and federal funds rising 4.0 percent. While Medicaid spending continued to rise in both fiscal 2018 and fiscal 2019, its growth rate was less than some recent years partly due to cost containment strategies and a slight decline in enrollment. Federal funds comprised 61.8 percent of total Medicaid spending, general funds 27.8 percent, and other state funds 10.5 percent, in fiscal 2019.
- Total **corrections** expenditures increased by 4.1 percent in estimated fiscal 2019 and by 2.7 percent in fiscal 2018 (the median growth rate was 3.4 percent in fiscal 2019 and 1.5 percent in fiscal 2018). Federal funds comprise only about 1 percent of corrections spending in states. Corrections accounted for 3.0 percent of total state expenditures in fiscal 2019 and 6.6 percent of general funds. In recent years, state prisoner populations have slowly declined. Even as the number of prisoners continues a gradual decrease, state spending on corrections has seen annual growth. Higher state spending on corrections can be attributed to several factors. First, several states have included additional funds to raise the compensation for existing and new correctional officers in recent budgets, to improve the recruitment and retention of these vital security positions. Due to a growing economy and tight labor market, states are having to increase salaries to attract applicants and retain employees. Second, states continue to invest in criminal justice reforms to reduce correctional populations and improve outcomes; these reforms include alternatives to incarceration, earning sentence credits for good behavior, parole reforms, and increased treatment to address mental health and substance abuse disorders.
- Total **transportation** spending, representing 8.1 percent of total state expenditures, increased by 8.9 percent in estimated fiscal 2019 and by 1.8 percent in fiscal 2018. In fiscal 2019, it is estimated that state funds spending rose 8.9 percent and federal funds 6.9 percent. Fifteen states experienced growth of 10 percent or higher in total transportation spending in fiscal 2019. Median growth rates for fiscal 2019 were all funds (2.9 percent), state funds (4.2 percent), and federal funds (2.2 percent). Other state funds, which are typically earmarked revenue sources such as fuel taxes, comprised 61.1 percent of total transportation spending in esti-

mated fiscal 2019, with federal funds at 26.9 percent, bonds at 7.3 percent, and general funds only accounting for 4.8 percent. States are concerned that in the long term, the current structure of state and federal fuel tax revenue will not be able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation (22 states have indexed or variable-rate gas taxes), new vehicle fuel economy continues to increase, and the growth in vehicle miles traveled has leveled off. Since 2013, 33 states have taken actions to raise their fuel tax revenues. Many of the actions were the result of multi-year transportation plans and were combined with other revenue-raising actions. One of the more notable recent actions has been the institution of registration fees on electric and hybrid vehicles to ensure that all vehicles pay a share of transportation system costs, as 27 states now have fees on electric vehicles. Additionally, states continue to explore road usage charges, or mileage-based user fees, with a growing number conducting pilot programs. Finally, 32 states have constitutional restrictions that dedicate transportation funds for transportation purposes.

- In this year's *State Expenditure Report*, for the second time states were asked to detail **transportation fund revenue** sources. Forty-seven states reported having a separate transportation fund. Motor fuel taxes represented the largest revenue source for transportation funds at 39.8 percent, followed by license and registration fees (19.4 percent), vehicle sales and use taxes (7.6 percent), tolls (1.5 percent), and all other (31.7 percent). Transportation fund revenue sources totaled \$95.9 billion in fiscal 2017, \$104.3 billion in fiscal 2018, and \$111.0 billion in estimated fiscal 2019. Over the last two years, transportation fund revenues have grown at an average annual rate of 7.6 percent.
- The "**all other**" category of state spending increased 7.5 percent in estimated fiscal 2019, with state funds (excluding bonds) rising 8.6 percent and federal funds increasing 1.4 percent. The sizeable increase in state funds for "all other" spending in fiscal 2019 is partly due to most states ending 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. As NASBO's *Fall 2018 Fiscal Survey of States* noted, increases for the "all other" category in fiscal 2019 included spending increases for pension fund contributions, employee compensation, deposits to reserve funds, debt service, disaster recovery, and homelessness programs. In fiscal 2018, "all other"

spending rose 3.3 percent as state funds increased 2.3 percent and federal funds increased 6.5 percent. "All other" represented 29.1 percent of total state expenditures in estimated fiscal 2019 and 26.7 percent of general fund expenditures. "All other" spending in states includes the Children's Health Insurance Program (CHIP), care for the mentally ill and developmentally disabled, public health programs, child welfare and family services, constitutional officers, the legislative and judicial branches, some employer contributions to pensions and health benefits, economic development, state police, environmental protection, parks and recreation, other natural resources programs, unemployment insurance, housing, general aid to local governments, and debt service.

- In this year's report, states for the second time were asked to separately detail their **debt service** spending. States' spending on debt service totaled \$48.3 billion in fiscal 2017, \$50.2 billion in fiscal 2018, and \$52.9 billion in estimated fiscal 2019. In estimated fiscal 2019, general funds represented 54.2 percent of total state spending on debt service, while other state funds comprised the remaining 45.8 percent. In fiscal year 2019, debt service represented 3.7 percent of spending from state funds (general funds and other state funds combined, excluding bonds), and 3.3 percent of spending from the general fund only. Some states reflect no general fund spending for debt service because they earmark certain tax revenue streams to support bond repayments and direct those resources to state funds other than the general fund.
- **Capital** expenditures are made for new construction, infrastructure, major repairs and improvements, land purchases, and the acquisition of major equipment and existing structures. States increased capital spending by an estimated 7.7 percent in estimated fiscal 2019 after declining 1.2 percent in fiscal 2018. The nature of capital spending often includes multi-year construction timetables and unforeseen or delayed project costs, which explains why state specific spending on capital projects can fluctuate from year to year. States primarily use dedicated sources to finance capital spending like the transportation fund, higher education tuition and fees, set-aside funding for capital projects, federal funds, and fund surpluses. State cash sources represent 46 percent of capital spending in fiscal 2019, bonds are 27.1 percent, and federal funds are 26.8 percent. Most federal funds spent for capital purposes are for transportation (93.6 percent in fiscal 2019).

- General fund **revenue**, the largest source of state expenditures and the most discretionary, totaled an estimated \$878.2 billion in fiscal 2019, a 4.2 percent increase over fiscal 2018. In fiscal 2018, general fund revenues grew 6.9 percent, representing the highest annual growth rate since fiscal 2011. The notable increases in fiscal 2018 and fiscal 2019 followed two years of slow growth from tax collections in fiscal 2016 and fiscal 2017. The three largest sources of general fund revenue collections (personal income, sales, and corporate income) all are estimated to have grown in both fiscal 2018 and fiscal 2019. The gains in personal income taxes have largely been driven by higher collections from non-wage income (capital gains, dividends, and bonuses), while the payroll withholding component has also grown. The growth in sales tax collections has been led by gains in consumption with some states also attributing part of the fiscal 2019 growth to expanded online sales tax collections. Increases in corporate income taxes, typically a volatile revenue source for states, may in part be due to changes from the federal *Tax Cut and Jobs Act* (TCJA). The TCJA also likely altered the timing of some tax collections during both fiscal 2018 and fiscal 2019. In fiscal 2018, states saw an acceleration of non-withholding income tax payments as taxpayers tried to take advantage of expiring tax breaks. While in fiscal 2019, changes in taxpayer behavior following federal tax reform altered the timing of estimated state personal income tax payments, with some states noting that certain taxpayers no longer had an incentive to pay in December and instead made higher payments with their tax returns in the spring. Personal income taxes accounted for 44.9 percent, sales and use taxes for 30.1 percent, and corporate income taxes for 6.5 percent of total general fund revenues in fiscal 2019. All other general fund revenue represented 17.5 percent of general fund revenues, while gaming and lottery revenue were just 1.0 percent.

Explanation of Report Data: Components of State Expenditures

This report includes three years of state expenditure data: actual fiscal 2017, actual fiscal 2018, and estimated fiscal 2019. The report examines the seven main functional categories of state spending: elementary and secondary education, higher education, public assistance, Medicaid, corrections, transportation, and “all other.” “All other” is a broad category that includes state functions not tracked individually in this report, such as the Children’s Health Insurance Program (CHIP), care for the mentally ill and developmentally disabled, public health programs, child welfare and family services, constitutional officers, the legislative and judicial branches, some employer contributions to pensions and health benefits, economic development, state police, environmental protection, parks and recreation, other natural resources programs, unemployment insurance, housing, general aid to local governments, and debt service. Capital spending is included with operating expenditures within each functional category, unless noted otherwise. Capital expenditures also have been collected separately in the following categories: elementary and secondary education, higher education, corrections, transportation, environmental, housing, and “all other”. It should also be noted that 20 states use a biennial budget cycle, and in many cases, funds are not expended evenly in the two-year cycle. This may affect total expenditures in some states from year to year.

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

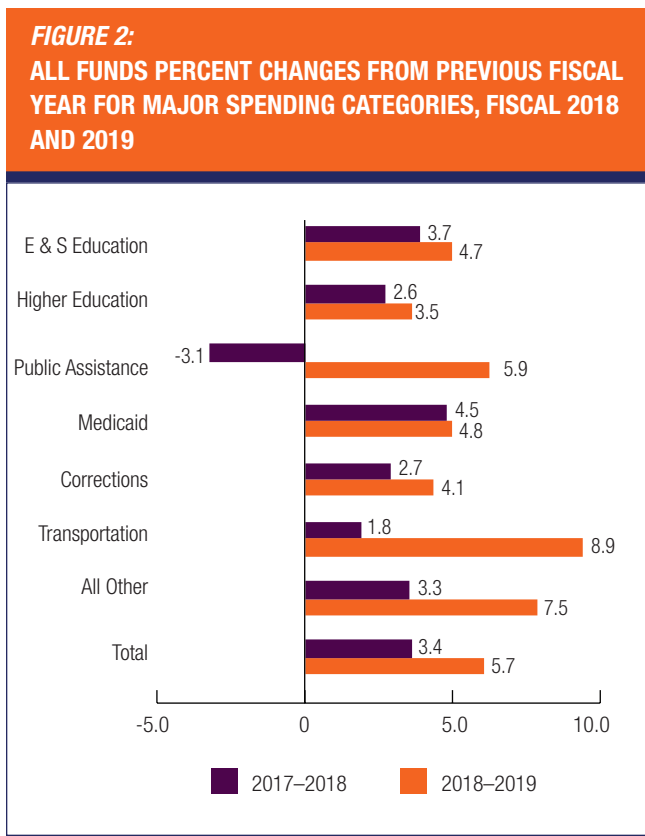
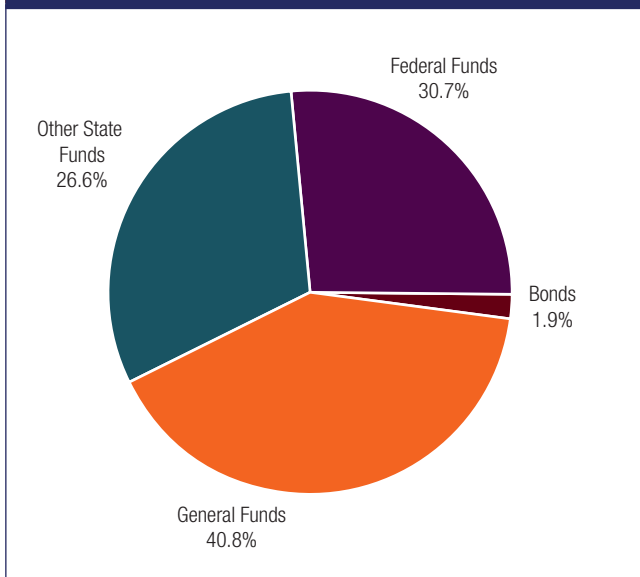


FIGURE 3:
TOTAL STATE EXPENDITURES BY FUNDING SOURCE,
FISCAL 2019



state and local government, which is not the purpose of this report. In addition, because the data are self-reported by the states, some may be incomplete. These omissions can affect aggregate and regional tables.

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

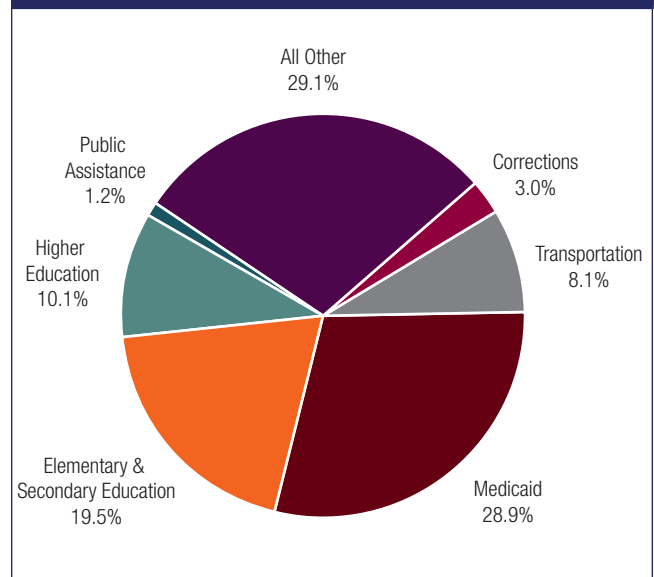
Explanation of Report Data: Definitions

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

Federal Funds: Funds received directly from the federal government.

Other State Funds: Expenditures from revenue sources that are restricted by law for governmental functions or activities.

FIGURE 4:
TOTAL STATE EXPENDITURES BY FUNCTION,
FISCAL 2019



For example, a gasoline tax dedicated to a transportation fund would appear in the “Other State Funds” column. For higher education, other state funds can include tuition and fees. For Medicaid, other state funds include provider taxes, fees, donations, assessments, and local funds. Some states also have an education fund for elementary and secondary education separate from the general fund.

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

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

Spending by fund source is detailed in Figure 3. In fiscal 2019, general funds represented 40.8 percent of total state spending, with federal funds at 30.7 percent, other state funds at 26.6 percent, and bonds at 1.9 percent.

Figure 4 reflects total state expenditures by functional area. For fiscal 2019, total state spending shares are as follows: 28.9 percent for Medicaid; 19.5 percent for elementary and secondary education; 10.1 percent for higher education; 8.1 percent for transportation; 3.0 percent for corrections; 1.2 percent for public assistance; and 29.1 percent for all other.

The shares of state spending for the seven functional areas tracked in the *State Expenditure Report* have shifted since 1987, when the report was first published. For example, in total state spending, Medicaid surpassed higher education as

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$17,763	\$6,253	\$5,405	\$2,954	\$32,375	\$18,611	\$6,141	\$5,487	\$2,913	\$33,152	\$19,244	\$6,318	\$5,672	\$2,827	\$34,061
Maine	3,346	2,601	2,186	114	8,247	3,415	2,698	2,192	106	8,411	3,658	2,797	2,209	148	8,812
Massachusetts	26,436	13,903	12,285	2,704	55,328	27,196	14,432	12,803	2,694	57,125	29,136	14,494	13,508	2,694	59,832
New Hampshire	1,512	2,221	2,097	104	5,934	1,504	2,297	2,257	73	6,131	1,505	2,313	2,318	98	6,234
Rhode Island	3,672	2,977	2,109	128	8,886	3,799	2,996	2,237	230	9,262	3,934	3,334	2,478	357	10,103
Vermont	1,498	1,914	2,096	49	5,557	1,587	1,926	2,098	64	5,675	1,650	1,887	2,212	87	5,836
MID-ATLANTIC															
Delaware	4,106	2,171	4,000	398	10,675	4,118	2,492	3,990	247	10,847	4,394	2,403	4,231	297	11,325
Maryland	17,153	12,018	13,015	1,136	43,322	17,169	12,147	13,025	1,455	43,796	17,911	13,166	13,812	1,346	46,235
New Jersey	33,827	15,172	8,116	2,166	59,281	35,124	15,628	7,883	2,140	60,775	37,349	16,695	8,717	2,050	64,811
New York	68,080	52,985	31,519	4,431	157,015	69,724	56,808	32,502	4,710	163,744	72,783	60,416	31,138	6,538	170,875
Pennsylvania	33,036	29,001	18,868	2,223	83,128	34,915	29,145	20,222	627	84,909	35,522	30,640	22,755	596	89,513
GREAT LAKES															
Illinois	29,424	14,833	22,387	1,359	68,003	35,409	16,940	19,900	534	72,783	35,678	17,055	18,909	576	72,218
Indiana	15,971	12,421	3,536	0	31,928	15,846	13,578	4,197	0	33,621	16,208	13,777	4,294	0	34,279
Michigan	9,882	20,290	24,137	72	54,381	10,148	20,733	25,586	147	56,614	10,571	22,849	23,553	198	57,171
Ohio	34,502	12,596	18,584	2,591	68,273	31,727	15,113	19,975	2,868	69,683	32,678	15,417	20,106	2,803	71,004
Wisconsin	15,858	10,993	20,141	0	46,992	16,464	11,575	20,160	0	48,199	17,152	11,787	21,304	0	50,243
PLAINS															
Iowa	7,258	6,389	9,034	6	22,687	7,254	6,260	9,860	8	23,382	7,644	6,513	9,399	7	23,563
Kansas	6,371	3,749	5,048	393	15,561	6,649	3,773	5,113	399	15,934	7,123	4,166	5,487	429	17,205
Minnesota	21,103	10,406	5,318	641	37,468	22,347	11,353	5,711	408	39,819	23,144	12,050	6,363	610	42,167
Missouri	9,153	8,186	8,047	164	25,550	9,263	8,360	8,226	189	26,038	9,536	8,490	8,287	89	26,402
Nebraska	4,329	3,030	4,508	0	11,867	4,350	3,101	4,690	0	12,141	4,367	2,791	4,951	0	12,109
North Dakota	2,600	1,616	2,574	2	6,792	2,103	1,472	2,289	25	5,889	2,159	1,639	2,746	47	6,591
South Dakota	1,548	1,420	1,239	20	4,227	1,591	1,407	1,439	20	4,457	1,638	1,449	1,372	32	4,491
SOUTHEAST															
Alabama	8,296	9,865	8,039	460	26,660	8,259	9,958	8,456	589	27,262	8,481	10,165	7,774	277	26,697
Arkansas	5,261	7,857	11,988	58	25,164	5,374	7,920	12,299	44	25,637	5,504	7,829	12,384	54	25,771
Florida	30,267	26,317	18,129	1,667	76,380	31,658	27,401	17,902	1,562	78,523	32,849	29,809	25,004	1,652	89,314
Georgia	22,455	14,266	11,836	952	49,509	23,517	14,446	12,265	1,166	51,394	25,401	14,426	12,526	1,184	53,537
Kentucky	11,075	12,258	10,230	0	33,563	11,221	12,441	10,390	0	34,052	11,556	12,667	10,614	0	34,837
Louisiana	9,118	11,159	7,841	304	28,422	9,548	12,085	9,328	292	31,253	9,898	14,263	10,553	167	34,881
Mississippi	5,645	7,819	5,786	1,124	20,374	5,575	7,787	5,624	667	19,653	5,548	9,372	6,206	898	22,024
North Carolina	22,143	14,778	10,707	538	48,166	22,746	15,296	11,542	248	49,832	23,666	14,438	13,009	400	51,513
South Carolina	7,804	8,184	8,565	617	25,170	8,056	8,593	8,433	175	25,257	8,294	8,058	9,159	147	25,658
Tennessee	14,162	12,261	6,417	0	32,840	14,907	12,618	6,662	3	34,190	15,693	14,164	6,963	89	36,909
Virginia	20,227	10,308	18,805	962	50,302	20,884	10,163	20,070	959	52,076	21,774	11,447	20,734	1,309	55,264
West Virginia	4,231	4,314	8,397	77	17,019	3,638	4,481	8,715	23	16,857	3,792	4,975	9,488	25	18,280
SOUTHWEST															
Arizona	9,608	15,016	10,440	485	35,549	9,815	15,999	11,307	373	37,494	10,389	15,544	11,740	333	38,006
New Mexico	6,065	8,128	4,842	662	19,697	6,102	8,496	5,355	507	20,460	6,364	8,474	5,409	287	20,534
Oklahoma	5,044	7,186	10,703	329	23,262	5,854	7,522	8,915	378	22,669	6,180	8,153	9,203	297	23,833
Texas	54,292	35,174	16,537	1,717	107,720	55,643	39,376	18,537	1,652	115,208	52,054	38,331	19,912	1,459	111,756
ROCKY MOUNTAIN															
Colorado	10,512	9,367	16,931	0	36,810	11,308	9,928	18,578	0	39,814	12,533	9,781	19,324	0	41,638
Idaho	3,255	2,682	1,559	0	7,496	3,465	2,684	1,814	0	7,963	3,702	3,260	2,329	0	9,291
Montana	2,333	2,810	1,814	0	6,957	2,242	2,863	1,847	0	6,952	2,304	2,983	1,886	0	7,173
Utah	6,411	3,809	4,002	0	14,222	6,739	3,924	3,794	332	14,789	7,493	4,664	4,521	150	16,828
Wyoming	1,386	926	2,113	0	4,425	1,386	926	2,113	0	4,425	1,507	844	2,357	0	4,708
FAR WEST															
Alaska	4,486	3,763	1,483	0	9,732	4,504	3,614	2,184	0	10,302	5,943	3,973	1,788	0	11,704
California	119,291	95,337	44,249	2,340	261,217	124,756	92,352	49,655	2,905	269,668	142,693	100,007	61,226	7,399	311,325
Hawaii	7,486	2,571	3,927	682	14,666	7,804	2,628	3,636	1,131	15,199	7,915	2,528	4,155	1,021	15,619
Nevada	3,990	4,393	5,308	223	13,914	4,018	4,624	5,339	282	14,263	4,404	4,888	5,285	181	14,758
Oregon	8,955	10,189	20,759	138	40,041	10,180	10,476	19,801	162	40,619	9,613	10,835	21,869	324	42,641
Washington	19,357	12,270	11,741	1,316	44,684	20,535	12,293	12,219	974	46,021	23,643	12,111	12,502	1,274	49,530
TOTAL*	\$791,583	\$600,152	\$509,397	\$36,306	\$1,937,438	\$820,047	\$621,269	\$528,622	\$34,281	\$2,004,219	\$864,177	\$650,435	\$563,741	\$40,756	\$2,119,109
District of Columbia	7,179	3,442	1,063	874	12,558	7,715	3,351	1,163	1,083	13,312					

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

TABLE 2
ANNUAL PERCENTAGE CHANGE IN TOTAL STATE EXPENDITURES

Region/State	Fiscal 2017 to 2018				Fiscal 2018 to 2019			
	General Funds	State Funds	Federal Funds	All Funds	General Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND								
Connecticut	4.8 %	4.0 %	-1.8 %	2.4 %	3.4 %	3.4 %	2.9 %	2.7 %
Maine	2.1	1.4	3.7	2.0	7.1	4.6	3.7	4.8
Massachusetts	2.9	3.3	3.8	3.2	7.1	6.6	0.4	4.7
New Hampshire	-0.5	4.2	3.4	3.3	0.1	1.6	0.7	1.7
Rhode Island	3.5	4.4	0.6	4.2	3.6	6.2	11.3	9.1
Vermont	5.9	2.5	0.6	2.1	4.0	4.8	-2.0	2.8
MID-ATLANTIC								
Delaware	0.3	0.0	14.8	1.6	6.7	6.4	-3.6	4.4
Maryland	0.1	0.1	1.1	1.1	4.3	5.1	8.4	5.6
New Jersey	3.8	2.5	3.0	2.5	6.3	7.1	6.8	6.6
New York	2.4	2.6	7.2	4.3	4.4	1.7	6.4	4.4
Pennsylvania	5.7	6.2	0.5	2.1	1.7	5.7	5.1	5.4
GREAT LAKES								
Illinois	20.3	6.8	14.2	7.0	0.8	-1.3	0.7	-0.8
Indiana	-0.8	2.7	9.3	5.3	2.3	2.3	1.5	2.0
Michigan	2.7	5.0	2.2	4.1	4.2	-4.5	10.2	1.0
Ohio	-8.0	-2.6	20.0	2.1	3.0	2.1	2.0	1.9
Wisconsin	3.8	1.7	5.3	2.6	4.2	5.0	1.8	4.2
PLAINS								
Iowa	-0.1	5.0	-2.0	3.1	5.4	-0.4	4.0	0.8
Kansas	4.4	3.0	0.6	2.4	7.1	7.2	10.4	8.0
Minnesota	5.9	6.2	9.1	6.3	3.6	5.2	6.1	5.9
Missouri	1.2	1.7	2.1	1.9	2.9	1.9	1.6	1.4
Nebraska	0.5	2.3	2.3	2.3	0.4	3.1	-10.0	-0.3
North Dakota	-19.1	-15.1	-8.9	-13.3	2.7	11.7	11.3	11.9
South Dakota	2.8	8.7	-0.9	5.4	3.0	-0.7	3.0	0.8
SOUTHEAST								
Alabama	-0.4	2.3	0.9	2.3	2.7	-2.8	2.1	-2.1
Arkansas	2.1	2.5	0.8	1.9	2.4	1.2	-1.1	0.5
Florida	4.6	2.4	4.1	2.8	3.8	16.7	8.8	13.7
Georgia	4.7	4.3	1.3	3.8	8.0	6.0	-0.1	4.2
Kentucky	1.3	1.4	1.5	1.5	3.0	2.6	1.8	2.3
Louisiana	4.7	11.3	8.3	10.0	3.7	8.3	18.0	11.6
Mississippi	-1.2	-2.0	-0.4	-3.5	-0.5	5.0	20.4	12.1
North Carolina	2.7	4.4	3.5	3.5	4.0	7.0	-5.6	3.4
South Carolina	3.2	0.7	5.0	0.3	3.0	5.8	-6.2	1.6
Tennessee	5.3	4.8	2.9	4.1	5.3	5.0	12.3	8.0
Virginia	3.2	4.9	-1.4	3.5	4.3	3.8	12.6	6.1
West Virginia	-14.0	-2.2	3.9	-1.0	4.2	7.5	11.0	8.4
SOUTHWEST								
Arizona	2.2	5.4	6.5	5.5	5.8	4.8	-2.8	1.4
New Mexico	0.6	5.0	4.5	3.9	4.3	2.8	-0.3	0.4
Oklahoma	16.1	-6.2	4.7	-2.5	5.6	4.2	8.4	5.1
Texas	2.5	4.7	11.9	7.0	-6.5	-3.0	-2.7	-3.0
ROCKY MOUNTAIN								
Colorado	7.6	8.9	6.0	8.2	10.8	6.6	-1.5	4.6
Idaho	6.5	9.7	0.1	6.2	6.8	14.2	21.5	16.7
Montana	-3.9	-1.4	1.9	-0.1	2.8	2.5	4.2	3.2
Utah	5.1	1.2	3.0	4.0	11.2	14.1	18.9	13.8
Wyoming	0.0	0.0	0.0	0.0	8.7	10.4	-8.9	6.4
FAR WEST								
Alaska	0.4	12.0	-4.0	5.9	31.9	15.6	9.9	13.6
California	4.6	6.6	-3.1	3.2	14.4	16.9	8.3	15.4
Hawaii	4.2	0.2	2.2	3.6	1.4	5.5	-3.8	2.8
Nevada	0.7	0.6	5.3	2.5	9.6	3.5	5.7	3.5
Oregon	13.7	0.9	2.8	1.4	-5.6	5.0	3.4	5.0
Washington	6.1	5.3	0.2	3.0	15.1	10.4	-1.5	7.6
TOTAL*	3.6 %	3.7 %	3.5 %	3.4 %	5.4 %	5.9 %	4.7 %	5.7 %
MEDIAN	2.8	2.7	2.6	3	4	5.0	3.2	4.4

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

TABLE 3

COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2019

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

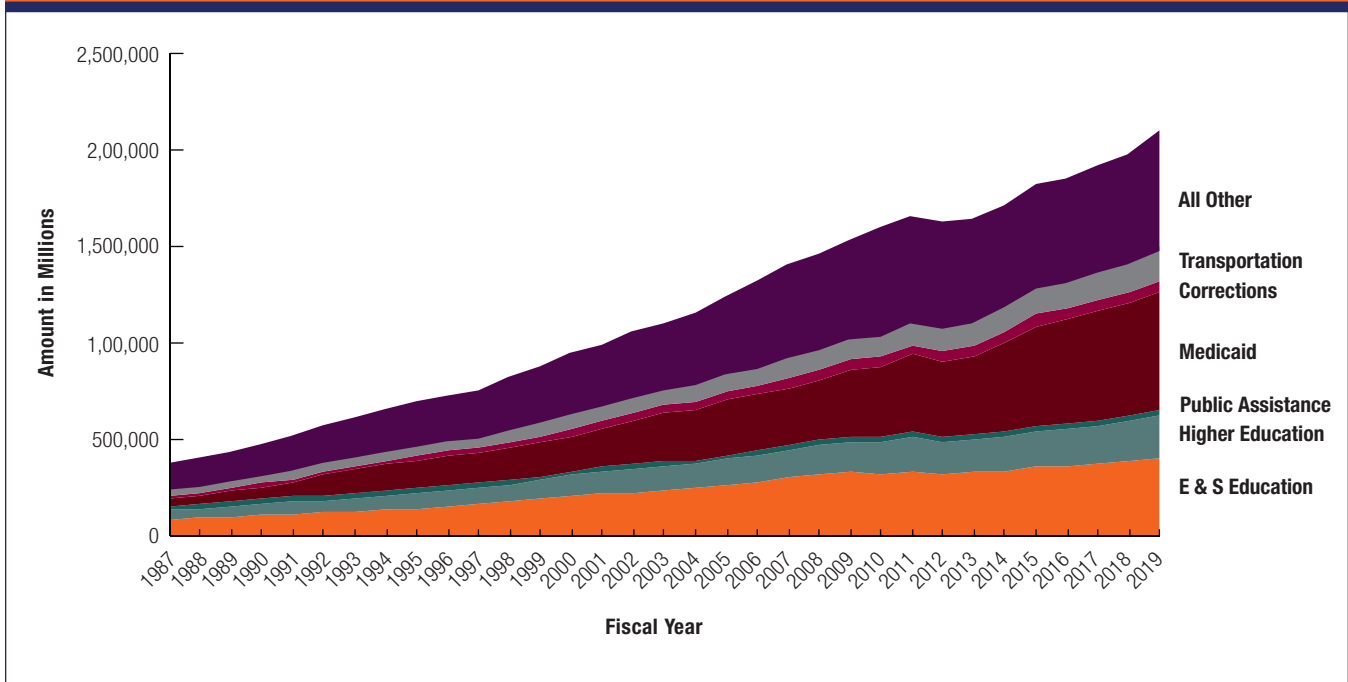
Table 3 continues on next page.

TABLE 3 (CONTINUED)

COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2019

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
FY 2008:								
General Funds	35.0	11.7	1.9	16.0	7.0	0.8	27.6	100.0
Other State Funds	10.2	15.2	0.1	7.3	0.7	17.5	49.0	100.0
Federal Funds	11.7	3.7	3.1	43.0	0.2	8.6	29.7	100.0
Bond Funds	9.6	19.2	0.0	0.0	2.7	30.5	37.9	100.0
Total Funds	22.0	10.7	1.7	20.5	3.5	7.8	33.9	100.0
FY 2009:								
General Funds	35.2	11.5	1.9	16.3	7.2	0.7	26.8	100.0
Other State Funds	10.1	15.2	0.1	6.8	0.6	16.4	50.8	100.0
Federal Funds	12.2	4.2	2.9	44.6	0.3	7.8	28.0	100.0
Bond Funds	15.0	20.9	0.0	0.0	3.0	30.0	31.0	100.0
Total Funds	21.5	10.5	1.7	21.9	3.4	7.5	33.4	100.0
FY 2010:								
General Funds	35.5	11.5	1.9	14.8	7.4	0.7	28.1	100.0
Other State Funds	9.8	16.7	0.1	7.6	0.7	16.1	49.0	100.0
Federal Funds	12.2	3.6	2.7	42.2	0.4	7.1	31.7	100.0
Bond Funds	8.3	20.3	0.0	0.0	3.0	34.6	33.8	100.0
Total Funds	20.4	10.2	1.7	22.2	3.2	7.5	34.7	100.0
FY 2011:								
General Funds	35.3	11.3	1.9	16.5	7.3	0.5	27.3	100.0
Other State Funds	8.7	18.0	0.1	9.8	0.6	15.8	47.1	100.0
Federal Funds	12.7	4.0	2.7	44.2	0.3	7.2	29.0	100.0
Bond Funds	12.3	16.8	0.0	0.0	1.6	33.9	35.4	100.0
Total Funds	20.3	10.7	1.6	23.8	3.1	7.4	33.1	100.0
FY 2012:								
General Funds	34.7	9.9	1.5	19.2	6.9	0.7	27.1	100.0
Other State Funds	7.8	18.1	0.1	8.8	1.2	15.5	48.5	100.0
Federal Funds	10.7	4.0	2.7	43.9	0.2	8.2	30.1	100.0
Bond Funds	8.3	16.0	0.0	0.0	1.9	35.0	38.8	100.0
Total Funds	19.5	10.4	1.5	23.6	3.2	7.7	34.0	100.0
FY 2013:								
General Funds	34.8	9.6	1.6	19.3	6.9	0.6	27.3	100.0
Other State Funds	9.0	18.1	0.3	10.2	1.0	15.8	45.7	100.0
Federal Funds	10.5	4.4	2.7	45.8	0.1	8.5	28.1	100.0
Bond Funds	6.5	14.8	0.0	0.0	1.6	38.3	38.7	100.0
Total Funds	20.0	10.4	1.5	24.3	3.2	7.8	32.7	100.0
FY 2014:								
General Funds	34.8	9.7	1.4	20.0	6.9	0.8	26.5	100.0
Other State Funds	8.5	17.8	0.4	10.5	1.0	16.6	45.3	100.0
Federal Funds	9.9	4.1	2.8	51.9	0.1	8.3	22.9	100.0
Bond Funds	7.0	14.1	0.0	0.0	1.6	36.5	40.6	100.0
Total Funds	19.8	10.3	1.5	26.5	3.2	8.0	30.7	100.0
FY 2015:								
General Funds	35.5	9.9	1.2	19.5	6.8	0.8	26.3	100.0
Other State Funds	8.8	18.5	0.5	10.7	0.9	17.6	43.0	100.0
Federal Funds	9.0	3.6	2.7	55.8	0.1	7.4	21.3	100.0
Bond Funds	7.1	14.7	0.0	0.0	1.5	34.8	41.9	100.0
Total Funds	19.6	10.4	1.5	27.9	3.1	8.0	29.6	100.0
FY 2016:								
General Funds	35.5	9.8	1.1	19.6	6.7	0.7	26.6	100.0
Other State Funds	8.9	19.0	0.5	11.0	1.0	17.9	41.7	100.0
Federal Funds	8.9	3.5	2.6	57.4	0.1	7.8	19.7	100.0
Bond Funds	8.1	15.0	0.0	0.0	1.6	32.5	42.7	100.0
Total Funds	19.8	10.3	1.4	28.8	3.1	8.0	28.7	100.0
FY 2017:								
General Funds	35.7	9.8	1.1	19.7	6.7	0.7	26.3	100.0
Other State Funds	8.6	18.6	0.5	11.5	1.0	17.6	42.2	100.0
Federal Funds	8.7	3.4	2.4	57.8	0.1	7.4	20.3	100.0
Bond Funds	6.7	12.5	0.0	0.0	2.1	34.1	44.5	100.0
Total Funds	19.6	10.2	1.3	28.9	3.1	7.8	29.0	100.0
FY 2018:								
General Funds	35.8	9.7	1.0	20.2	6.8	0.7	25.8	100.0
Other State Funds	8.8	18.6	0.4	12.5	1.0	18.5	40.3	100.0
Federal Funds	8.5	3.2	2.3	58.3	0.1	7.4	20.2	100.0
Bond Funds	8.8	12.0	0.0	0.0	2.5	28.0	48.7	100.0
Total Funds	19.6	10.1	1.3	29.7	3.1	8.0	28.3	100.0
FY 2019:								
General Funds	35.6	9.6	0.9	19.7	6.6	0.9	26.7	100.0
Other State Funds	8.4	18.5	0.5	11.4	1.0	18.6	41.8	100.0
Federal Funds	8.6	3.3	2.4	58.2	0.1	7.1	20.2	100.0
Bond Funds	6.6	12.4	0.0	0.0	1.7	30.6	48.7	100.0
Total Funds	19.5	10.1	1.2	28.9	3.0	8.1	29.1	100.0
FY 1995–19 Combined Total:								
General Funds	35.1	11.4	2.1	17.0	6.9	0.8	26.6	100.0
Other State Funds	9.0	15.7	0.3	8.2	0.9	19.1	46.8	100.0
Federal Funds	10.5	4.0	3.5	46.7	0.3	8.4	26.6	100.0
Bond Funds	12.7	18.0	0.0	0.0	3.5	30.2	35.5	100.0
Total Funds	20.9	10.6	2.0	23.0	3.4	8.2	31.9	100.0

FIGURE 5:
COMPOSITION OF TOTAL STATE EXPENDITURES BY FUNCTION, FISCAL 1987 TO 2019



the second largest state program in 1990, and in 2003 it became the largest, displacing elementary and secondary education. From 2003 to 2008, Medicaid and elementary and secondary education alternated as the largest share of total state spending. Since fiscal 2009, Medicaid has consistently been the largest spending category. In fiscal 2019, Medicaid represented 28.9 percent of total state spending, while elementary and secondary education’s share declined to 19.5 percent. Figure 5 documents the changes in state expenditures by category since 1987. Table 3 reflects shares of state spending in functional areas, by fund source, from 1995 to 2018. Also, Table 5, at the end of the Executive Summary, highlights the share of each state’s budget represented by various programs in fiscal 2019 and shows the wide variation among states in their spending patterns.

General Fund Expenditures

Expenditures for elementary and secondary education continue to constitute the largest share of state general fund spending. As Figure 6 shows, in fiscal 2019, 35.6 percent of general fund spending went to elementary and secondary education. Medicaid accounted for 19.7 percent and higher education accounted for 9.6 percent of general fund spending.

FIGURE 6:
GENERAL FUND EXPENDITURES, FISCAL 2019

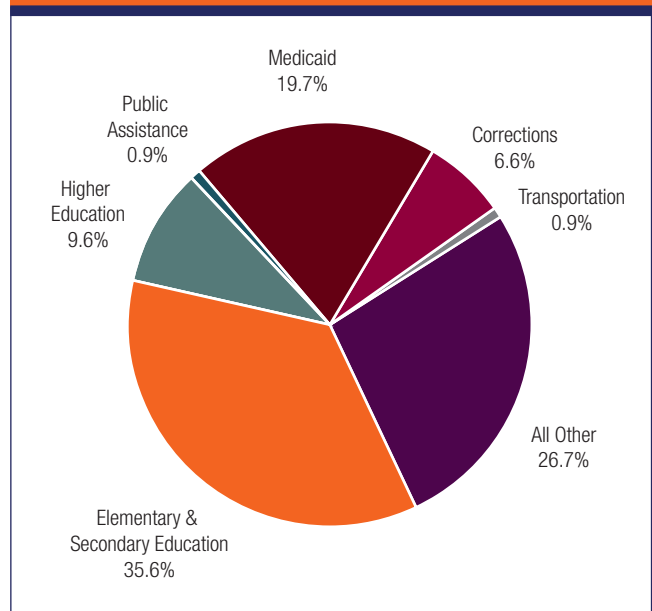
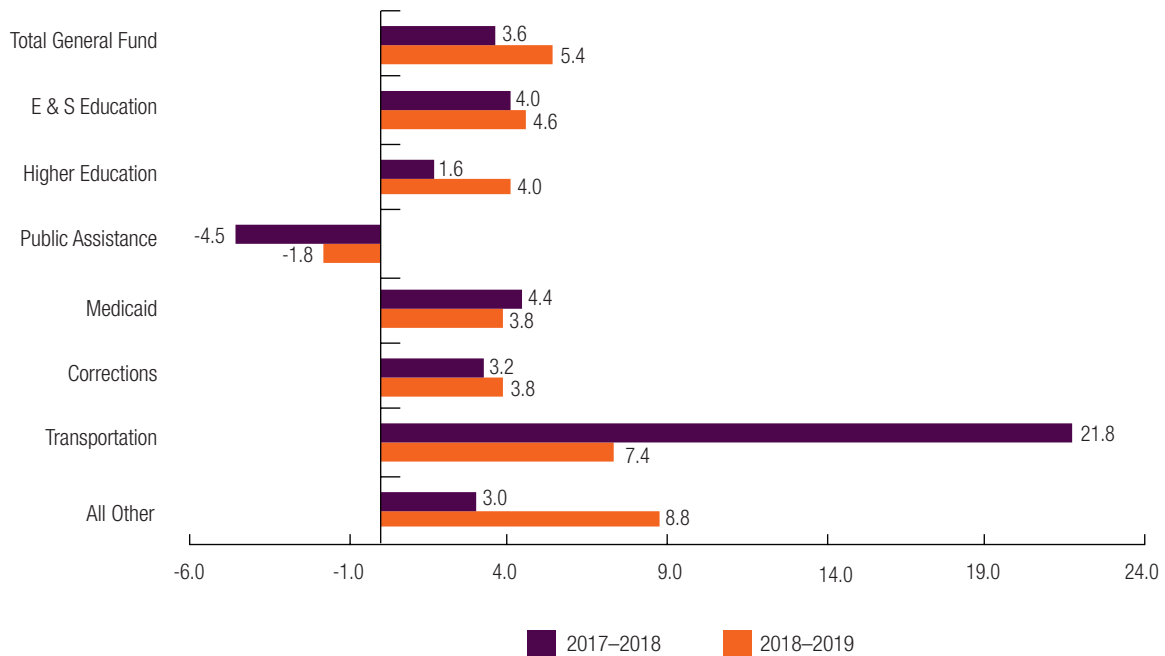


Figure 7 reflects the percentage change for general fund spending in each of the functional categories. In both fiscal 2018 and fiscal 2019, public assistance was the only program area to experience a decline. Overall, general fund spending increased 5.4 percent in estimated fiscal 2019 and 3.6 percent in fiscal 2018.

FIGURE 7:
PERCENT CHANGE IN GENERAL FUND, FISCAL 2018 AND 2019



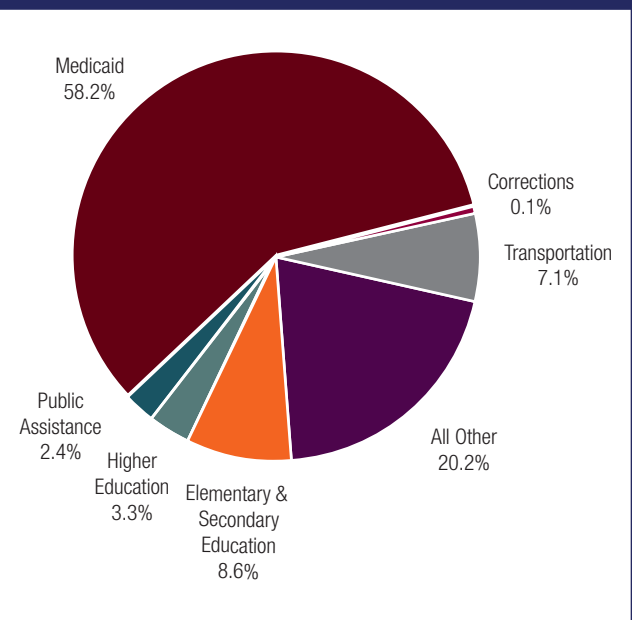
Other State Funds Expenditures

Trailing only the “all other” category, transportation and higher education account for the next largest portions of other state funds spending for fiscal 2019, at 18.6 percent and 18.5 percent respectively. Other state funds are expenditures from revenue sources which are restricted by law for particular governmental functions or activities. For transportation, these funds largely represent receipts from gasoline taxes earmarked for highways and other infrastructure projects, while for higher education, these funds include tuition and fees in most states (see Table 3).

Federal Fund Expenditures

As reflected in Figure 8, Medicaid accounts for the largest portion of state spending from federal funds in fiscal 2019 at 58.2 percent. This continues a trend of Medicaid increasing as a share of federal funds to states; fiscal 2014 was the first year in the history of the *State Expenditure Report* that Medicaid represented more than half of all federal funds to states. Elementary and secondary education at 8.6 percent and transportation at 7.1 percent were the next largest categories of federal funds in fiscal 2019.

FIGURE 8:
FEDERAL FUND EXPENDITURES, FISCAL 2019



Regional Spending Trends

Table 4 shows growth rates for each region of the United States, separated by state funds (general fund plus other state

TABLE 4
REGIONAL PERCENTAGE CHANGE IN TOTAL EXPENDITURES, FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	3.5 %	2.1 %	2.9 %	5.2 %	2.1 %	4.3 %
Mid-Atlantic	3.0	4.4	3.0	4.2	6.1	5.1
Great Lakes	2.6	9.6	4.2	0.5	3.8	1.4
Plains	3.1	2.7	2.8	3.7	3.8	3.8
Southeast	3.4	2.7	2.9	6.7	5.9	6.4
Southwest	3.4	9.0	5.2	-0.2	-1.2	-0.9
Rocky Mountain	5.9	3.7	5.8	8.8	5.9	7.7
Far West	5.4	-2.0	3.1	13.8	6.6	12.5
ALL STATES	3.7 %	3.5 %	3.4 %	5.9 %	4.7 %	5.7 %

funds, not including bond funds) and federal funds. The growth rate for all states increased 3.4 percent in fiscal 2018, with all regions experiencing an increase in spending. The Rocky Mountain region had the largest increase in fiscal 2018. In fiscal 2019, total estimated state spending increased 5.7 percent, with all regions except the Southwest recording at least moderate growth, and the Far West experiencing the largest growth.

Figure 9 shows the percentage change in state spending from state funds for fiscal 2018 and estimated fiscal 2019. In fiscal 2019, the Far West region experienced the strongest growth rate, while in fiscal 2018 the Rocky Mountain region had the highest growth.

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

FIGURE 9:
REGIONAL PERCENT CHANGE IN STATE FUNDS,
FISCAL 2018 AND 2019

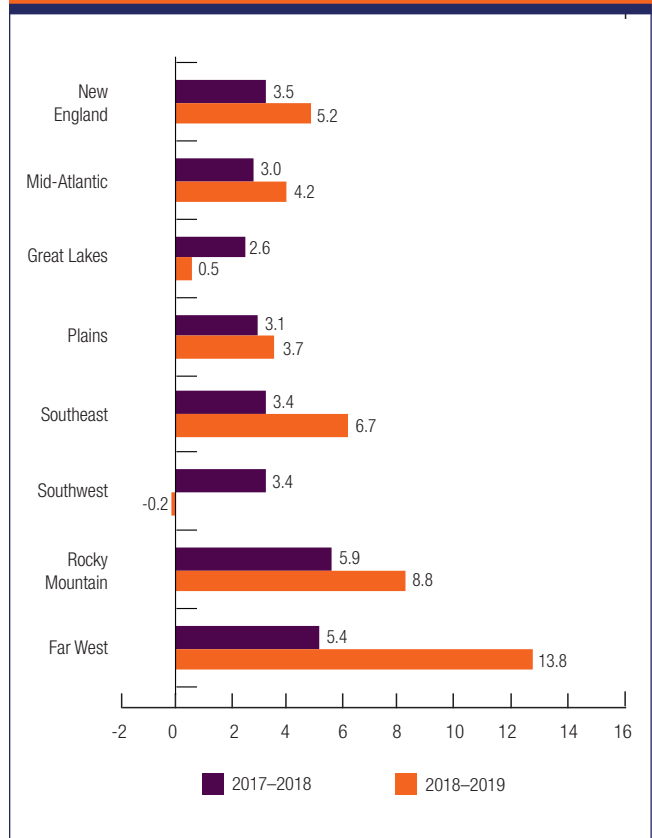


TABLE 5

STATE SPENDING BY FUNCTION AS A PERCENT OF TOTAL STATE EXPENDITURES, FISCAL 2019

Region/State	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
NEW ENGLAND								
Connecticut	11.8 %	9.8 %	1.1 %	23.8 %	2.1 %	10.5 %	40.8 %	100.0 %
Maine	17.7	3.6	2.2	33.8	2.2	8.4	32.2	100.0
Massachusetts	13.7	2.3	0.9	28.7	2.6	7.0	44.8	100.0
New Hampshire	20.2	2.2	1.7	35.2	2.1	8.5	30.2	100.0
Rhode Island	14.5	12.8	1.2	27.4	2.5	8.0	33.6	100.0
Vermont	32.8	1.7	1.6	28.7	2.7	9.2	23.4	100.0
MID-ATLANTIC								
Delaware	24.1	3.7	0.2	19.3	3.2	8.8	40.8	100.0
Maryland	18.2	14.1	2.5	25.6	3.4	11.3	24.9	100.0
New Jersey	23.5	8.7	0.3	23.7	1.9	10.8	31.1	100.0
New York	19.2	6.4	2.4	35.3	1.7	5.8	29.1	100.0
Pennsylvania	17.2	2.2	1.0	36.1	3.3	12.8	27.4	100.0
GREAT LAKES								
Illinois	14.9	2.9	0.1	29.0	2.3	6.5	44.3	100.0
Indiana	28.0	5.8	0.7	36.4	2.4	7.0	19.7	100.0
Michigan	26.3	4.2	0.5	31.6	4.0	8.1	25.5	100.0
Ohio	16.7	4.1	1.1	38.0	3.1	4.8	32.2	100.0
Wisconsin	16.4	14.3	0.1	21.0	2.5	6.4	39.2	100.0
PLAINS								
Iowa	16.5	26.7	0.4	23.5	1.9	7.6	23.5	100.0
Kansas	29.6	17.3	0.1	21.9	2.4	6.4	22.4	100.0
Minnesota	24.9	4.3	0.9	29.5	1.8	11.2	27.5	100.0
Missouri	22.6	4.2	0.5	38.9	2.7	7.7	23.3	100.0
Nebraska	13.7	24.4	0.3	18.3	3.2	7.0	33.2	100.0
North Dakota	17.8	24.6	0.0	18.2	1.8	9.8	27.8	100.0
South Dakota	16.3	18.4	0.4	20.4	2.6	13.5	28.4	100.0
SOUTHEAST								
Alabama	23.2	21.5	0.1	26.4	2.8	5.7	20.2	100.0
Arkansas	13.8	15.0	1.9	28.8	2.0	5.5	33.0	100.0
Florida	17.0	9.2	0.2	31.7	3.5	12.1	26.3	100.0
Georgia	25.0	19.6	0.6	19.9	3.3	7.1	24.5	100.0
Kentucky	17.2	23.6	0.4	29.2	2.1	7.2	20.2	100.0
Louisiana	15.8	8.3	0.4	33.2	2.7	4.1	35.5	100.0
Mississippi	15.6	18.1	4.9	24.5	1.6	6.6	28.8	100.0
North Carolina	22.8	13.2	0.3	27.7	3.1	13.3	19.5	100.0
South Carolina	19.7	21.0	0.3	26.4	2.7	8.6	21.4	100.0
Tennessee	17.5	13.3	0.3	32.9	2.8	6.1	27.1	100.0
Virginia	14.7	14.4	0.2	20.4	2.7	12.6	34.8	100.0
West Virginia	13.0	15.0	0.7	23.8	2.0	6.9	38.6	100.0
SOUTHWEST								
Arizona	20.0	17.7	0.6	35.3	3.2	8.8	14.4	100.0
New Mexico	16.2	15.1	0.6	27.4	1.7	7.6	31.3	100.0
Oklahoma	16.9	23.0	0.6	24.3	2.5	5.9	26.7	100.0
Texas	26.5	16.2	0.1	32.7	3.2	11.1	10.2	100.0
ROCKY MOUNTAIN								
Colorado	23.9	13.5	3.4	23.9	2.3	3.9	29.2	100.0
Idaho	23.7	10.3	0.2	24.6	3.7	13.1	24.4	100.0
Montana	14.6	9.2	0.4	25.2	3.2	12.2	35.2	100.0
Utah	25.3	13.0	0.5	20.3	3.3	10.8	26.9	100.0
Wyoming	18.7	9.3	0.0	13.3	3.0	2.8	52.9	100.0
FAR WEST								
Alaska	14.7	7.3	1.0	19.6	3.4	12.3	41.7	100.0
California	19.6	7.0	3.4	29.4	5.0	6.7	29.0	100.0
Hawaii	14.0	7.7	0.4	14.9	1.9	14.0	47.2	100.0
Nevada	14.3	6.6	0.3	26.9	2.4	7.0	42.5	100.0
Oregon	12.8	3.2	0.3	22.0	2.6	4.3	54.8	100.0
Washington	28.2	13.3	0.4	25.4	2.4	5.5	24.8	100.0
ALL STATES	19.5 %	10.1 %	1.2 %	28.9 %	3.0 %	8.1 %	29.1 %	100.0 %

Note: Percentages may not add to 100.

General Notes

In reviewing the tables, please note the following:

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

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

Alabama: Amounts shown in fiscal years 2017 and 2018 are based on actual expenditures during these years, regardless of the year appropriated. Fiscal 2019 amounts shown are equal to actual expenditures through 9 months (June 30, 2019) and then annualized for the year.

Arkansas: Fiscal 2018 Amounts were modified to reflect actual final funding and were previously based on estimates.

California: The fiscal 2019 spending increase for the General Fund is primarily due to supplemental pension payments, local assistance for healthcare programs, fire protection resources for CalFIRE, planning and progress grants to address homelessness, and transfers to the State Project Infrastructure Fund to support capital outlay projects. The fiscal 2019 spending increase for Other State Funds is generally due to various department program expenditure changes including carryovers and reappropriations.

Maryland: FY 2017 Federal Fund Revenues were restated due to clerical error.

Massachusetts: Fiscal 2019 estimated general fund expenditures are as of July 31, 2019.

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 account-

ing practices and with other portrayals of Ohio’s general fund. This amounts to \$9,757.9 million in fiscal 2019. This will tend to make Ohio’s GRF expenditures look higher and conversely make Ohio’s federal expenditures look lower relative to most other states that don’t follow this practice.

Also, inherent in Ohio’s budgetary accounting environment are significant overstatements of total state spending due to two phenomena. First, fiduciary fund expenditures represent the distribution of funds collected by the state on behalf of other entities. These are not operating, program, or subsidy expenditures of the state. Examples of this would be the collection and distribution of county and local permissive sales taxes or motor vehicle registration taxes. Fiduciary fund group expenditures totaled \$7,848.6 million in fiscal 2019. Second, “double counting” of revenue and expenditures related to intrastate transactions overstates overall state expenditure activity. Intra-state transactions totaled \$755.4 million in fiscal 2019. These accounting practices will tend to make Ohio’s “All-Other” expenditures look higher, on a dollar and percentage basis, and conversely make Ohio’s other categories look lower, on a percentage basis, relative to other states that don’t follow similar practices.

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

Texas: Texas’ decrease in spending for fiscal 2019 is due to its biennial budget process, with the first year of the biennium being front loaded and the subsequent fiscal year not carrying those funding levels forward. The levels vary across individual programs for a large swath of state agencies. The funding from the prior year is often able to be carried forward within the biennium should the agency not expend the funds during the previous fiscal year.

Utah: When funds are transferred from General Funds to restricted accounts, Utah was previously reporting the final expenditures under Other State Funds. For this survey and future surveys, Utah is now reporting the expenditures under the original funding source, General Funds.

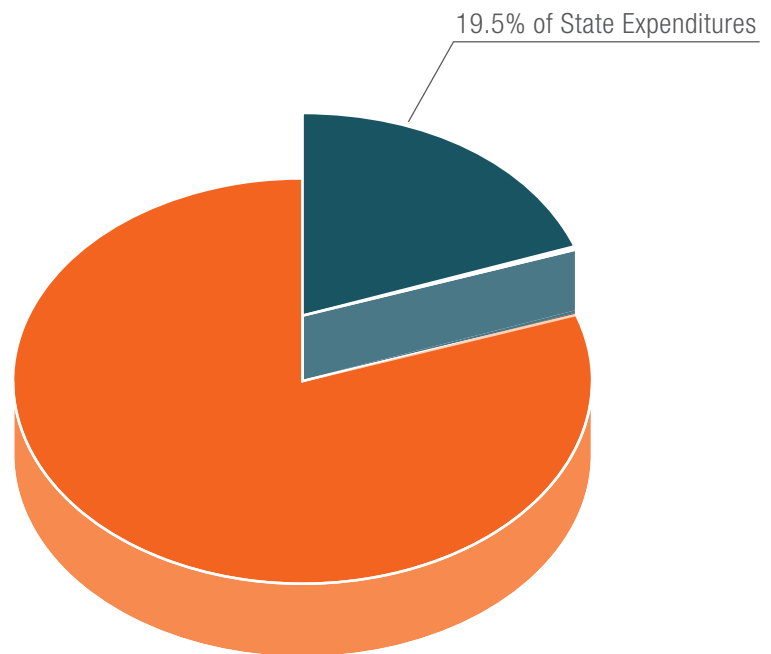
Wyoming: Part of Wyoming’s yearly variation in expenditure totals is due to the fact that the state budgets on a two-year cycle.

1

CHAPTER



ELEMENTARY & SECONDARY EDUCATION



Elementary and Secondary Education Expenditures

Overall state spending on elementary and secondary education totaled \$413.8 billion in fiscal 2019, an increase of 4.7 percent. State funds (general funds and other state funds combined, excluding bonds) increased by 4.7 percent and federal funds grew 6.1 percent. Federal fund spending growth for K-12 education in fiscal 2019 is higher than in recent years, which is likely due to the effects of the last two-year federal budget agreement. In fiscal 2018, the growth rate for total spending on elementary and secondary education was somewhat lower, at 3.7 percent; state funding grew by 4.1 percent, and federal funds slightly increased by 0.2 percent. General fund spending for K-12 education grew by 4.6 percent in fiscal 2019 and 4.0 percent in fiscal 2018.

As the national economy and state revenues grow, elementary and secondary education continues to receive increased funding in state budgets. Some states are also continuing to take targeted steps to increase teacher compensation and improve teacher recruitment and retention. Other states are increasing and adjusting their school funding formulas, including adding more funding for at-risk students and special education. Early education, school safety, and student counseling are other areas where states are investing greater resources. While average growth has been moderate in recent years, K-12 spend-

ing changes in fiscal 2018 and fiscal 2019 vary by state due to differing economic and fiscal conditions, as well as demographic trends.

Elementary and secondary education continues to be the largest category of state general fund spending, comprising 35.6 percent of state general fund spending in fiscal 2019, 35.8 percent in fiscal 2018, and 35.7 percent in fiscal 2017. In fact, K-12 education as a share of general fund spending has remained markedly consistent over the years, remaining between 34 and 36 percent every year since fiscal 1996. Elementary and secondary education once represented the largest category of total state spending from all funds, but has consistently been the second largest category since fiscal 2009, when it was surpassed by Medicaid. In fiscal 2019, K-12 comprised 19.5 percent of total state spending, slightly lower than its 19.6 percent share in fiscal 2018.

The vast majority of states support K-12 education primarily through their general funds, though a few states segregate large dedicated revenue sources into a separate education fund; examples include Michigan, New Hampshire, Vermont and Wyoming. Other states with separate education funds, including Alabama and Utah, combine their education fund reporting in this survey with their general fund spending. Additionally, several states that fund the majority of their K-12 education spending from the general fund still spend a sizeable amount from other state funds, which are typically dedicated revenues. For example, in Oklahoma, state K-12 education spending is funded in part by dedicated revenues from state school land earnings, gross production taxes, motor vehicle fees, and rural electrification association taxes. General funds comprised 74.4 percent of total state elementary and secondary education spending, federal funds comprised 13.6 percent, other state funds comprised 11.4 percent, and bonds comprised 0.6 percent (see Figure 10) in fiscal 2019. The general fund share has been gradually rising to levels above those prior to the Great Recession.

Sources of Funding

State funding systems for education vary greatly. Over the years, some states have moved toward increasing their share of funding for elementary and secondary education by substituting state funds for local funds, often to reduce local governments' reliance on property taxes or to ensure equity in education funding across the state. Funds are distributed to schools both through general funds on a per-pupil basis and as categorical grants to support specific programs or needs. The federal share serves mainly as a

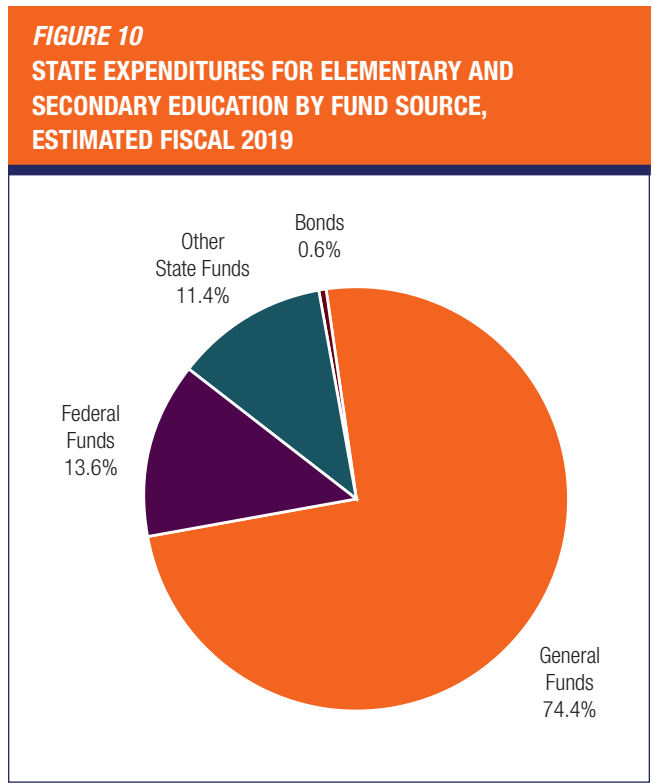


TABLE 6
REGIONAL PERCENTAGE CHANGE IN STATE ELEMENTARY AND SECONDARY EDUCATION
EXPENDITURES, FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	1.2 %	0.5 %	2.5 %	4.7 %	1.6 %	2.6 %
Mid-Atlantic	2.4	-3.6	1.8	4.0	12.2	5.1
Great Lakes	3.6	-2.2	3.0	2.8	3.8	2.4
Plains	3.3	1.0	3.0	2.6	1.9	2.5
Southeast	2.9	1.0	2.5	3.9	6.9	4.4
Southwest	6.7	3.4	6.1	1.8	2.8	1.6
Rocky Mountain	4.8	3.3	4.7	4.9	3.7	4.8
Far West	6.5	1.4	6.4	9.4	7.4	9.4
ALL STATES	4.1 %	0.2 %	3.7 %	4.7 %	6.1 %	4.7 %

source of supplemental funding for economically disadvantaged school districts and to help cover the cost of educating children with special needs, though the federal government has also provided competitive grants to states to encourage innovation and reforms at the state level.

According to the U.S. Census Bureau's latest report on public education finances, state governments contributed the largest share of elementary and secondary education revenue in fiscal 2017, with state funds comprising 47.1 percent of total revenue nationally. Local government revenue (mostly from property taxes) made up roughly 44.9 percent of total elementary and secondary school revenues, and the remaining 8.0 percent came from the federal government. The state-local funding split varies considerably by state, depending on differences in state constitutional requirements, school finance systems, local revenue structures, and other factors.

Regional Expenditures

Table 6 shows percentage changes in expenditures for elementary and secondary education for fiscal 2017-2018 and fiscal 2018-2019 by region. In fiscal 2019, every region recorded increases in spending on K-12 education from state funds, federal funds and all funds. In fiscal 2018, all regions reported increases in K-12 spending from state funds and all funds, while all but two regions (Mid-Atlantic and Great Lakes) reported increases in spending from federal funds.

The Far West region reported the fastest spending growth in fiscal 2019 at 9.4 percent, following 6.4 percent growth in fiscal 2018; economic and population growth have generally outpaced the national average in that region. Meanwhile, the New England, Great Lakes and Plains regions have all seen fairly

modest annual K-12 spending growth of 3.0 percent or less over the past two years. The Southwest region saw the slowest growth rate in fiscal 2019, but this is mainly attributable to a substantial decline in spending in Texas due to technical reasons associated with the state's biennial budgeting practices.

Implementation of the *Every Student Succeeds Act*

The *Every Student Succeeds Act* (ESSA) was signed into law in December 2015, finally reauthorizing the *Elementary and Secondary Education Act*, eight years after the expiration of *No Child Left Behind*. Overall, the new law rolled back the federal role in determining measures of effectiveness and accountability actions, deferring those policy decisions to the states. States submitted their ESSA consolidated state plans to the U.S. Department of Education for review in 2017, and the federal government approved all states' plans as of last year. These plans primarily describe state approaches to school accountability and long-term goals for student achievement under the new law, which gives states more flexibility to measure school performance, fund programs, and improve low-performing schools. The plans were developed by the state education agency in consultation with the governor, lawmakers, state board of education, local school districts, and other key stakeholders. States and school districts are now implementing these plans, which include efforts to comply with a new requirement for districts to publish per-student spending figures by school. The deadline for this new reporting requirement is summer 2020, though as of the end of September 2019, 17 states have already reported school-level spending amounts.

Capital Spending

For the second time, this year's *State Expenditure Report* collected information on state capital expenditures for elementary and secondary education, which totaled an estimated \$2.6 billion in fiscal 2019, compared to \$3.2 billion in fiscal 2018, for those states that separately reported on this category of capital spending (see Table 49). States vary in the role they play in funding capital expenditures for elementary and secondary education, and in some states, local school districts are solely responsible for funding school construction. In many states, state funding provided for schools includes amounts eligible for local capital spending or debt service participation subsidies for local school bonds.

Elementary and Secondary Education— Expenditure Exclusions

When comparing resources spent on elementary and secondary education, it is important to understand the types of pro-

grams states exclude from these figures, either because the funding totals for such programs are not included in the data reported for the K-12 education chapter, or because the state does not provide that service or program. For this report, 13 states wholly or partially excluded employer contributions to teacher pensions and 16 states wholly or partially excluded contributions to health benefits. Additionally, most states wholly or partially excluded the following items: day care programs (41 states), school health care/immunization (41), Head Start (31), and libraries (30). Seventeen states wholly or partially excluded early education/preschool spending, and 22 states wholly or partially excluded capital expenditures for K-12 education.

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

TABLE 7

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$3,248	\$528	\$5	\$278	\$4,059	\$3,084	\$537	\$5	\$518	\$4,144	\$3,250	\$554	\$4	\$228	\$4,036
Maine	1,193	213	29	0	1,435	1,230	220	30	0	1,480	1,322	210	27	0	1,559
Massachusetts	5,535	1,231	825	23	7,614	5,714	1,246	858	33	7,851	5,999	1,261	905	32	8,197
New Hampshire	87	190	967	12	1,256	84	183	962	12	1,241	96	184	962	15	1,257
Rhode Island	1,113	194	32	3	1,342	1,161	184	34	0	1,379	1,187	219	47	7	1,460
Vermont	417	129	1,269	1	1,816	461	128	1,277	0	1,866	137	110	1,664	2	1,913
MID-ATLANTIC															
Delaware	1,415	195	795	133	2,538	1,435	196	785	129	2,545	1,515	202	809	199	2,725
Maryland*	5,998	1,052	498	337	7,885	6,068	1,092	501	362	8,023	6,180	1,235	586	421	8,422
New Jersey	13,312	920	17	0	14,249	13,306	907	18	0	14,231	14,280	918	14	0	15,212
New York	23,204	3,763	3,460	50	30,477	24,148	3,394	3,580	111	31,233	25,118	4,068	3,474	133	32,793
Pennsylvania	11,432	2,482	622	0	14,536	11,858	2,517	516	0	14,891	12,323	2,671	421	0	15,415
GREAT LAKES															
Illinois	7,477	2,255	61	60	9,853	8,219	2,212	61	2	10,494	8,391	2,279	66	6	10,742
Indiana	8,039	1,042	157	0	9,238	8,221	1,056	186	0	9,463	8,354	1,056	188	0	9,598
Michigan	220	1,698	12,093	0	14,011	121	1,687	12,643	0	14,451	133	1,857	13,028	0	15,018
Ohio*	8,253	1,970	1,183	237	11,643	8,402	1,848	1,204	422	11,876	8,585	1,887	1,209	174	11,855
Wisconsin	6,744	809	276	0	7,829	6,804	803	266	0	7,873	7,177	813	272	0	8,262
PLAINS															
Iowa	3,223	460	91	0	3,774	3,254	474	91	0	3,819	3,288	501	96	0	3,885
Kansas	3,112	479	1,027	0	4,618	3,405	475	1,082	0	4,962	3,514	503	1,079	0	5,096
Minnesota	8,901	775	45	2	9,723	9,233	772	46	0	10,051	9,599	832	50	2	10,483
Missouri	3,297	1,013	1,505	1	5,816	3,351	990	1,518	3	5,862	3,464	969	1,536	0	5,969
Nebraska	1,268	324	54	0	1,646	1,249	380	59	0	1,688	1,251	349	53	0	1,653
North Dakota	888	145	154	0	1,187	728	139	304	0	1,171	729	136	306	0	1,171
South Dakota	522	168	6	0	696	557	167	7	0	731	558	171	4	0	733
SOUTHEAST															
Alabama*	4,373	1,010	203	60	5,646	4,418	1,051	244	27	5,740	4,565	1,414	201	13	6,193
Arkansas	2,241	548	767	0	3,556	2,259	543	833	0	3,635	2,263	540	748	0	3,551
Florida	10,939	1,722	1,319	0	13,980	11,445	1,853	1,291	0	14,589	11,892	1,892	1,432	0	15,216
Georgia	9,083	2,319	388	252	12,042	9,605	2,310	383	252	12,550	10,183	2,490	395	305	13,373
Kentucky	4,974	879	38	0	5,891	4,937	854	35	0	5,826	5,032	920	36	0	5,988
Louisiana	3,575	1,163	491	0	5,229	3,618	1,134	517	0	5,269	3,637	1,226	650	0	5,513
Mississippi	2,227	691	327	5	3,250	2,215	701	325	5	3,246	2,219	837	377	0	3,433
North Carolina	8,623	1,507	758	0	10,888	8,893	1,510	731	0	11,134	9,399	1,527	812	0	11,738
South Carolina	2,978	976	907	0	4,861	3,071	957	936	0	4,964	3,179	954	911	0	5,044
Tennessee	4,715	1,124	159	0	5,998	4,961	1,160	155	3	6,279	5,156	1,139	153	0	6,448
Virginia	5,745	1,040	809	0	7,594	6,021	1,034	791	0	7,846	6,318	1,074	748	0	8,140
West Virginia	1,907	347	91	23	2,368	1,908	348	8	23	2,287	1,980	371	8	23	2,382
SOUTHWEST															
Arizona	4,321	1,173	245	0	5,739	4,544	1,181	266	0	5,991	6,212	1,088	305	0	7,605
New Mexico	2,671	414	6	244	3,335	2,684	414	29	239	3,366	2,790	443	17	84	3,334
Oklahoma	1,725	674	1,041	0	3,440	1,739	661	1,092	0	3,492	2,136	766	1,130	0	4,032
Texas*	20,627	4,915	3,321	0	28,863	21,840	5,167	4,025	0	31,032	19,744	5,333	4,552	0	29,629
ROCKY MOUNTAIN															
Colorado*	3,768	602	4,703	0	9,073	4,080	595	4,804	0	9,479	4,117	616	5,202	0	9,935
Idaho	1,612	282	82	0	1,976	1,713	283	96	0	2,092	1,815	289	101	0	2,205
Montana	819	175	47	0	1,041	780	183	49	0	1,012	805	187	55	0	1,047
Utah	3,168	446	110	0	3,724	3,373	493	147	0	4,013	3,570	520	171	0	4,261
Wyoming	0	0	896	0	896	0	0	896	0	896	0	0	879	0	879
FAR WEST															
Alaska	1,379	226	63	0	1,668	1,401	230	38	0	1,669	1,422	259	42	0	1,723
California	46,231	6,694	57	150	53,132	48,762	6,721	50	603	56,136	52,791	7,396	48	704	60,939
Hawaii	1,709	256	55	0	2,020	1,777	226	93	0	2,096	1,837	251	93	0	2,181
Nevada	1,471	267	360	0	2,098	1,492	297	371	0	2,160	1,453	280	382	0	2,115
Oregon	3,737	610	444	0	4,791	4,253	639	426	0	5,318	4,125	667	665	0	5,457
Washington	9,234	783	228	286	10,531	10,263	848	258	221	11,590	12,615	770	248	331	13,964
TOTAL	\$282,750	\$52,878	\$43,086	\$2,157	\$380,871	\$294,145	\$53,000	\$44,922	\$2,965	\$395,032	\$307,705	\$56,234	\$47,161	\$2,679	\$413,779
District of Columbia	1,909	248	19	410	2,586	2,092	280	28	368	2,768					

*See Elementary and Secondary Education Notes for explanation.

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

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	12.5 %	12.5 %	11.8 %
Maine	17.4	17.6	17.7
Massachusetts	13.8	13.7	13.7
New Hampshire	21.2	20.2	20.2
Rhode Island	15.1	14.9	14.5
Vermont	32.7	32.9	32.8
MID-ATLANTIC			
Delaware	23.8	23.5	24.1
Maryland	18.2	18.3	18.2
New Jersey	24.0	23.4	23.5
New York	19.4	19.1	19.2
Pennsylvania	17.5	17.5	17.2
GREAT LAKES			
Illinois	14.5	14.4	14.9
Indiana	28.9	28.1	28.0
Michigan	25.8	25.5	26.3
Ohio	17.1	17.0	16.7
Wisconsin	16.7	16.3	16.4
PLAINS			
Iowa	16.6	16.3	16.5
Kansas	29.7	31.1	29.6
Minnesota	26.0	25.2	24.9
Missouri	22.8	22.5	22.6
Nebraska	13.9	13.9	13.7
North Dakota	17.5	19.9	17.8
South Dakota	16.5	16.4	16.3
SOUTHEAST			
Alabama	21.2	21.1	23.2
Arkansas	14.1	14.2	13.8
Florida	18.3	18.6	17.0
Georgia	24.3	24.4	25.0
Kentucky	17.6	17.1	17.2
Louisiana	18.4	16.9	15.8
Mississippi	16.0	16.5	15.6
North Carolina	22.6	22.3	22.8
South Carolina	19.3	19.7	19.7
Tennessee	18.3	18.4	17.5
Virginia	15.1	15.1	14.7
West Virginia	13.9	13.6	13.0
SOUTHWEST			
Arizona	16.1	16.0	20.0
New Mexico	16.9	16.5	16.2
Oklahoma	14.8	15.4	16.9
Texas	26.8	26.9	26.5
ROCKY MOUNTAIN			
Colorado	24.6	23.8	23.9
Idaho	26.4	26.3	23.7
Montana	15.0	14.6	14.6
Utah	26.2	27.1	25.3
Wyoming	20.2	20.2	18.7
FAR WEST			
Alaska	17.1	16.2	14.7
California	20.3	20.8	19.6
Hawaii	13.8	13.8	14.0
Nevada	15.1	15.1	14.3
Oregon	12.0	13.1	12.8
Washington	23.6	25.2	28.2
ALL STATES	19.7 %	19.7 %	19.5 %

TABLE 9

ANNUAL PERCENTAGE CHANGE IN ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	-5.0 %	1.7 %	2.1 %	5.3 %	3.2 %	-2.6 %
Maine	3.1	3.3	3.1	7.1	-4.5	5.3
Massachusetts	3.3	1.2	3.1	5.1	1.2	4.4
New Hampshire	-0.8	-3.7	-1.2	1.1	0.5	1.3
Rhode Island	4.4	-5.2	2.8	3.3	19.0	5.9
Vermont	3.1	-0.8	2.8	3.6	-14.1	2.5
MID-ATLANTIC						
Delaware	0.5	0.5	0.3	4.7	3.1	7.1
Maryland	1.1	3.8	1.8	3.0	13.1	5.0
New Jersey	0.0	-1.4	-0.1	7.3	1.2	6.9
New York	4.0	-9.8	2.5	3.1	19.9	5.0
Pennsylvania	2.7	1.4	2.4	3.0	6.1	3.5
GREAT LAKES						
Illinois	9.8	-1.9	6.5	2.1	3.0	2.4
Indiana	2.6	1.3	2.4	1.6	0.0	1.4
Michigan	3.7	-0.6	3.1	3.1	10.1	3.9
Ohio	1.8	-6.2	2.0	2.0	2.1	-0.2
Wisconsin	0.7	-0.7	0.6	5.4	1.2	4.9
PLAINS						
Iowa	0.9	3.0	1.2	1.2	5.7	1.7
Kansas	8.4	-0.8	7.4	2.4	5.9	2.7
Minnesota	3.7	-0.4	3.4	4.0	7.8	4.3
Missouri	1.4	-2.3	0.8	2.7	-2.1	1.8
Nebraska	-1.1	17.3	2.6	-0.3	-8.2	-2.1
North Dakota	-1.0	-4.1	-1.3	0.3	-2.2	0.0
South Dakota	6.8	-0.6	5.0	-0.4	2.4	0.3
SOUTHEAST						
Alabama	1.9	4.1	1.7	2.2	34.5	7.9
Arkansas	2.8	-0.9	2.2	-2.6	-0.6	-2.3
Florida	3.9	7.6	4.4	4.6	2.1	4.3
Georgia	5.5	-0.4	4.2	5.9	7.8	6.6
Kentucky	-0.8	-2.8	-1.1	1.9	7.7	2.8
Louisiana	1.7	-2.5	0.8	3.7	8.1	4.6
Mississippi	-0.5	1.4	-0.1	2.2	19.4	5.8
North Carolina	2.6	0.2	2.3	6.1	1.1	5.4
South Carolina	3.1	-1.9	2.1	2.1	-0.3	1.6
Tennessee	5.0	3.2	4.7	3.8	-1.8	2.7
Virginia	3.9	-0.6	3.3	3.7	3.9	3.7
West Virginia	-4.1	0.3	-3.4	3.8	6.6	4.2
SOUTHWEST						
Arizona	5.3	0.7	4.4	35.5	-7.9	26.9
New Mexico	1.3	0.0	0.9	3.5	7.0	-1.0
Oklahoma	2.3	-1.9	1.5	15.4	15.9	15.5
Texas	8.0	5.1	7.5	-6.1	3.2	-4.5
ROCKY MOUNTAIN						
Colorado	4.9	-1.2	4.5	4.9	3.5	4.8
Idaho	6.8	0.4	5.9	5.9	2.1	5.4
Montana	-4.3	4.6	-2.8	3.7	2.2	3.5
Utah	7.4	10.5	7.8	6.3	5.5	6.2
Wyoming	0.0	---	0.0	-1.9	---	-1.9
FAR WEST						
Alaska	-0.2	1.8	0.1	1.7	12.6	3.2
California	5.5	0.4	5.7	8.3	10.0	8.6
Hawaii	6.0	-11.7	3.8	3.2	11.1	4.1
Nevada	1.7	11.2	3.0	-1.5	-5.7	-2.1
Oregon	11.9	4.8	11.0	2.4	4.4	2.6
Washington	11.2	8.3	10.1	22.3	-9.2	20.5
ALL STATES	4.1 %	0.2 %	3.7 %	4.7 %	6.1 %	4.7 %
MEDIAN	2.7	0.2	2.5	3.2	3.2	3.8

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

TABLE 10

ITEMS EXCLUDED FROM ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Head Start	Libraries	Day Care Programs	School Health Care/ Immunization	Early Education/ Pre-K	Capital Expenditures
NEW ENGLAND								
Connecticut	X	X		X		P		X
Maine			X	X	X	X		N/A
Massachusetts	X	X		X				P
New Hampshire			X	X	X		N/A	
Rhode Island			X	X	X	P		
Vermont			X	X	X	X		
MID-ATLANTIC								
Delaware					X	P		
Maryland				X		P		
New Jersey		P	X		X	P		
New York	P	P	X		X	X		
Pennsylvania				X	X	X		P
GREAT LAKES								
Illinois*	P	P	X	X	P	X		
Indiana	P	P	X	P	P	P	X	N/A
Michigan*			X			P		N/A
Ohio*				X	P	X		
Wisconsin	N/A	N/A			P	N/A		N/A
PLAINS								
Iowa*	X	X	X	P	X	P	P	N/A
Kansas		P	X	X	X	X	P	
Minnesota	P	P				X		P
Missouri	X	X	X	X		X		
Nebraska					N/A			N/A
North Dakota			X	X	X	X	X	X
South Dakota					X	X		
SOUTHEAST								
Alabama					X	P		
Arkansas			P		P	P	P	
Florida			X	X	X	X	X	
Georgia			X	X				
Kentucky				X	X			
Louisiana			X	X	X	X		
Mississippi					N/A			
North Carolina					X	X	X	N/A
South Carolina			P	P	X	X		
Tennessee					P	P	P	P
Virginia					X			N/A
West Virginia			X	X	X	X	X	X
SOUTHWEST								
Arizona	P	P	X		X	X	P	
New Mexico								
Oklahoma			X	X	X	X		X
Texas			X	X	X	X	X	X
ROCKY MOUNTAIN								
Colorado*	P	P	X	P	X	P	P	P
Idaho			X	X	N/A	X	N/A	N/A
Montana	PP	P	X	P	X	X		N/A
Utah			X		N/A	X		
Wyoming								
FAR WEST								
Alaska				X	X	X		
California			X		X	X	X	X
Hawaii	P	P	X		X	P		
Nevada			X	X	X	X	X	
Oregon			X	P	X	X	X	X
Washington	P	P	X	N/A	N/A	N/A		
ALL STATES	13	16	31	30	41	41	17	22
District of Columbia				X	P	P		

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

*See Elementary and Secondary Education Notes for explanation.

Elementary and Secondary Education Notes

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

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

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

Maryland: The \$112 million increase in Elementary and Secondary Education General Funds from FY 2018 to FY 2019 is largely driven by education local aid formulas. The \$85 million increase in Elementary and Secondary Education Other State

Funds from FY 2018 to FY 2019 is mostly due to increased Education Trust Fund revenues, generated by casino proceeds.

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

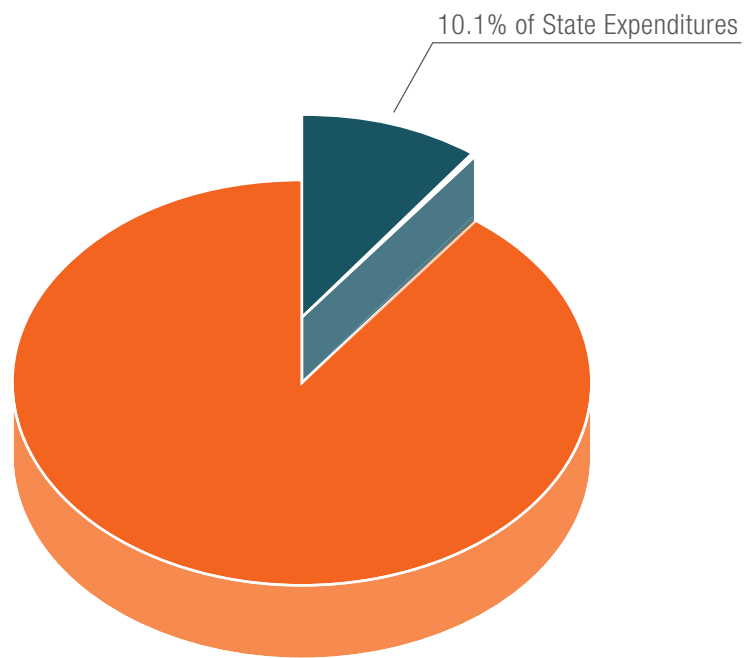
Texas: Texas' decrease in spending for fiscal 2019 is due to its biennial budget process, with the first year of the biennium being front loaded and the subsequent fiscal year not carrying those funding levels forward. The levels vary across individual programs for a large swath of state agencies. The funding from the prior year is often able to be carried forward within the biennium should the agency not expend the funds during the previous fiscal year.

2

CHAPTER



HIGHER EDUCATION EXPENDITURES



Higher Education Expenditures

State higher education spending reflects financial support of public university systems, community colleges, career and technical education institutions, and student financial aid. In fiscal 2019 states spent an estimated \$213.7 billion on higher education, an increase of 3.5 percent. The general fund portion grew by 4.0 percent in fiscal 2019, and all state funds (general funds plus other state funds, excluding bonds) increased 3.3 percent, while spending from federal funds grew 3.2 percent. In fiscal 2018, states spent \$206.5 billion on higher education, an increase of 2.6 percent over fiscal 2017. General funds increased by 1.6 percent in fiscal 2018 while all state funds increased by 3.0 percent and federal funds increased by 3.0 percent.

Recently, states have targeted additional funds to increase operating support for institutions and to restrict tuition increases or freeze tuition rates. States are also putting more resources toward postsecondary student financial aid, including through creating or expanding state-level “Promise” programs, last-dollar scholarship programs that guarantee free tuition, typically for in-state residents only. Additionally, states are making targeted investments in career and technical education to better align their education systems with workforce demands.

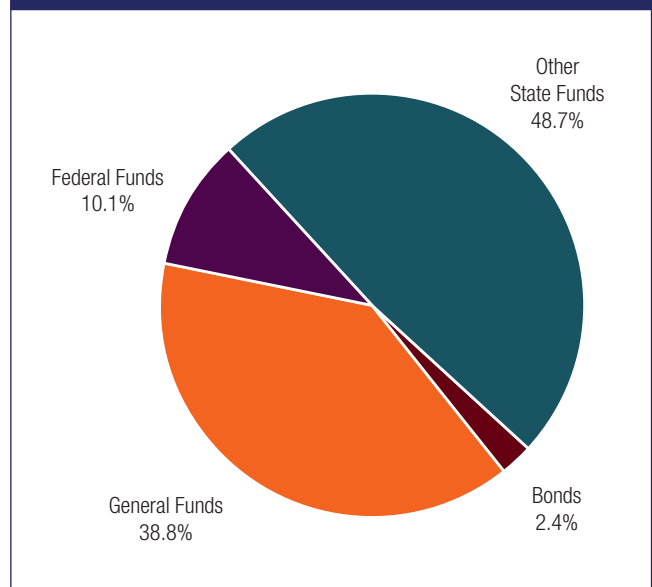
After a series of significant reductions beginning in fiscal 2009 through 2012, which were somewhat offset by additional federal stimulus funds, the average annual general fund spending growth for higher education has been 3.5 percent from fiscal 2013 to fiscal 2019. By comparison, total general fund spending on all program areas has grown by a similar average annual rate of 3.6 percent over the same period.

Estimated higher education spending in fiscal 2019 represented 10.1 percent of total state spending, and 9.6 percent of general fund expenditures. General funds accounted for 38.8 percent of total state spending on higher education, other state funds 48.7 percent, federal funds 10.1 percent, and bonds 2.4 percent in fiscal 2019 (see Figure 11 and Table 12).

Regional Expenditures

Table 11 shows regional percentage changes in expenditures for higher education for fiscal 2018 and fiscal 2019. In both years, nearly all regions saw net increases in spending from state funds and total state spending from all funds on higher education. In fiscal 2018, the Great Lakes region recorded a

FIGURE 11
STATE EXPENDITURES FOR HIGHER EDUCATION BY FUND SOURCE, ESTIMATED FISCAL 2019



net reduction in higher education spending from state funds, driven mostly by considerable year-over-year spending fluctuations in Illinois as a result of the state’s budget impasse in fiscal 2016 that affected the timing of expenditures.

New England saw a substantial decline in higher education spending from all funds in fiscal 2018, due primarily to significantly reduced higher education spending from bonds in Connecticut and Massachusetts. Several regions reported net reductions in federal fund spending for higher education in either one or both years.

Financing Issues

Higher education represents the third largest component of total state spending, and is also the third largest component of general fund spending. However, higher education expenditures have been shrinking as a share of general fund spending in recent decades, as spending in other program areas, particularly Medicaid, has been on the rise. For example, in fiscal 1995, higher education comprised 12.9 percent of general fund spending, while in fiscal 2019, higher education spending made up an estimated 9.6 percent of general fund expenditures. Over that same period, Medicaid went from representing 14.4 percent of general fund spending to 19.7 percent. Also over this period, general funds went from making up 58.2 percent of total state spending on higher education in fiscal

TABLE 11
REGIONAL PERCENTAGE CHANGE IN STATE HIGHER EDUCATION EXPENDITURES,
FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	0.2 %	2.9 %	-5.1 %	4.0 %	7.7 %	3.2 %
Mid-Atlantic	3.2	7.3	3.0	3.5	2.6	3.1
Great Lakes	-2.1	12.2	0.2	4.6	-12.8	2.0
Plains	0.6	15.3	1.7	3.7	8.6	4.1
Southeast	4.8	-6.7	3.6	2.4	8.6	3.3
Southwest	1.1	3.6	1.5	1.9	4.1	2.3
Rocky Mountain	8.4	-18.9	7.2	1.4	-6.4	1.1
Far West	3.6	4.0	3.3	6.3	4.1	6.5
ALL STATES	3.0 %	3.0 %	2.6 %	3.3 %	3.2 %	3.5 %

1995 to 38.8 percent in fiscal 2019. This has caused the “Other State Funds” source (which includes tuition and fees for the majority of states) to surpass the general fund as the largest funding source for state spending on higher education, making up 48.7 percent of total state higher education expenditures in fiscal 2019. These trends reflect how an increasing share of the cost burden of higher education has been placed on students through higher tuition and fees over the past several decades.

Taking into account grant aid and federal education tax breaks, average net tuition and fees at public four-year institutions have increased 44 percent beyond inflation over the past decade, according to The College Board. However, net tuition and fees at public two-year institutions have actually declined over the last decade, with grant aid and tax benefits, on average, now exceeding published tuition and fees for these institutions (excluding room and board charges). This reflects the movement towards greater public investment in financial assistance for community and technical college students. Also of note, the average net price of four-year public institutions (for tuition and fees, excluding room and board) has declined for the past two consecutive years, by 1.0 percent in 2017–18 and by 1.1 percent in 2018–19. Similarly, the average net price of public two-year institutions fell 2.6 percent (excluding room and board) in 2018–19.

These more recent trends reflect states’ growing attention to college affordability and access. The latest State Higher Education Finance report from the State Higher Education Executive Officers Association (SHEEO) found that public higher education funding increased at the rate of inflation in fiscal 2018 after annual increases greater than 2 percent over the past five years. Meanwhile, SHEEO reported that net tuition

revenue remained flat in fiscal 2018, while state financial aid saw the largest increase since the Great Recession, now representing nearly 10 percent of all appropriations.

A growing number of initiatives led by governors, state legislatures, and public higher education systems are aiming to increase the affordability of public higher education by curbing institution costs, restricting tuition increases, and bolstering student financial aid programs, along with adopting strategies to hold institutions accountable for results such as through outcomes-based funding models. NASBO’s resource, *A Guidebook on State Budgeting for Higher Education*, published in 2015, describes many of these strategies and provides state budget officers and analysts with key resources and tools to help them make informed, strategic decisions about the allocation of state resources for higher education.

Capital Spending

State expenditures for higher education-related construction, renovation and other capital projects totaled an estimated \$12.1 billion in fiscal 2019, compared to \$11.9 billion in fiscal 2018 and \$12.6 billion in fiscal 2017 (see Table 50). State-specific spending on capital projects has historically fluctuated from year-to-year due to the multi-year spending timeline of the projects.

Higher Education – Expenditure Exclusions

When comparing resources spent on higher education, it is important to understand the types of programs states exclude from these figures, either because the funding totals for such programs are not included in the data reported for the higher education chapter, or because the state does not provide

funding for that service or program. In calculating higher education expenditures for this report, 16 states wholly or partially excluded tuition and fees, and 21 states wholly or partially excluded student loan programs. Additionally, other items that are wholly or partially excluded include: university research grants (31 states); vocational education (20); assistance to pri-

vate colleges or universities (26); and employer contributions to pensions (15) and health benefits (15). Table 15 lists programs excluded from the expenditure data by state. Summary expenditure data can be found in Tables 12 through 14, accompanied by explanatory notes.

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$713	\$216	\$2,351	\$337	\$3,617	\$640	\$225	\$2,341	\$56	\$3,262	\$654	\$252	\$2,408	\$28	\$3,342
Maine	297	0	8	6	311	302	0	7	6	315	310	0	9	2	321
Massachusetts	1,167	9	16	238	1,430	1,173	8	10	148	1,339	1,267	6	15	118	1,406
New Hampshire	128	1	0	9	138	131	0	0	8	139	132	0	0	6	138
Rhode Island	198	14	877	53	1,142	221	14	938	63	1,236	234	8	970	82	1,294
Vermont	85	0	6	4	95	88	0	6	7	101	88	0	6	4	98
MID-ATLANTIC															
Delaware	241	47	115	16	419	238	51	113	5	407	249	50	112	9	420
Maryland*	1,958	369	3,373	420	6,120	1,977	396	3,521	392	6,286	2,062	405	3,711	348	6,526
New Jersey	2,431	15	2,574	0	5,020	2,364	10	2,942	0	5,316	2,523	13	3,107	0	5,643
New York*	2,876	318	6,745	632	10,571	2,834	347	6,999	645	10,825	2,981	357	7,006	645	10,989
Pennsylvania	1,659	0	121	190	1,970	1,675	0	127	189	1,991	1,717	0	131	163	2,011
GREAT LAKES															
Illinois	2,035	224	115	44	2,418	1,705	195	115	58	2,073	1,758	143	119	39	2,059
Indiana	1,936	0	10	0	1,946	1,806	250	14	0	2,070	1,970	0	16	0	1,986
Michigan	1,534	113	498	40	2,185	1,434	119	637	84	2,274	1,216	139	908	135	2,398
Ohio*	2,540	22	38	280	2,880	2,554	21	26	296	2,897	2,588	20	28	260	2,896
Wisconsin	1,700	1,652	3,411	0	6,763	1,713	1,672	3,520	0	6,905	1,789	1,665	3,748	0	7,202
PLAINS															
Iowa	843	472	4,727	0	6,042	817	466	4,902	0	6,185	829	493	4,965	0	6,287
Kansas*	759	343	1,628	74	2,804	762	338	1,648	81	2,829	799	331	1,769	84	2,983
Minnesota	1,556	3	49	108	1,716	1,651	3	53	74	1,781	1,639	4	58	131	1,832
Missouri	901	1	240	83	1,225	853	1	237	76	1,167	858	0	250	8	1,116
Nebraska	756	336	1,782	0	2,874	652	544	1,670	0	2,866	746	554	1,653	0	2,953
North Dakota	443	112	651	2	1,208	380	119	635	25	1,159	376	219	980	47	1,622
South Dakota	235	70	450	19	774	240	70	613	14	937	242	73	506	4	825
SOUTHEAST															
Alabama*	1,566	1,183	2,821	0	5,570	1,597	1,085	3,012	0	5,694	1,655	1,054	3,029	5	5,743
Arkansas	776	9	2,882	0	3,667	785	7	3,129	0	3,921	806	7	3,056	0	3,869
Florida	4,022	98	3,324	45	7,489	4,557	95	3,215	104	7,971	4,591	109	3,390	96	8,186
Georgia	2,607	59	6,267	340	9,273	2,803	61	6,493	410	9,767	2,978	158	6,875	490	10,501
Kentucky	1,141	925	6,142	0	8,208	1,147	835	6,201	0	8,183	1,132	871	6,228	0	8,231
Louisiana	912	59	1,566	67	2,604	1,014	55	1,667	45	2,781	1,029	83	1,740	50	2,902
Mississippi	841	142	2,839	97	3,919	794	152	2,861	85	3,892	788	164	2,961	72	3,985
North Carolina	3,957	51	2,293	41	6,342	4,060	51	2,365	99	6,575	4,283	133	2,183	205	6,804
South Carolina	690	120	4,089	595	5,494	670	126	3,986	133	4,915	710	145	4,396	130	5,381
Tennessee	2,014	73	2,570	0	4,657	2,278	69	2,754	0	5,101	2,169	63	2,671	0	4,903
Virginia	1,963	1,164	3,838	445	7,410	1,862	859	4,184	528	7,433	1,993	914	4,276	796	7,979
West Virginia	383	20	1,473	54	1,930	453	246	2,018	0	2,717	472	254	2,018	2	2,746
SOUTHWEST															
Arizona	698	818	4,280	83	5,879	705	912	4,678	83	6,378	726	985	4,941	83	6,735
New Mexico	786	667	1,657	106	3,216	779	612	1,586	86	3,063	804	584	1,628	93	3,109
Oklahoma	653	998	3,997	23	5,671	651	954	3,930	11	5,546	658	931	3,877	11	5,477
Texas	7,842	3,976	5,640	0	17,458	7,783	4,214	5,713	0	17,710	7,883	4,468	5,787	0	18,138
ROCKY MOUNTAIN															
Colorado*	1,000	346	3,966	0	5,312	947	281	4,671	0	5,899	1,051	270	4,287	0	5,608
Idaho	427	5	280	0	712	445	5	287	0	737	469	16	471	0	956
Montana	233	42	409	0	684	224	31	414	0	669	227	11	422	0	660
Utah	1,110	9	816	0	1,935	1,102	9	877	0	1,988	1,321	8	859	0	2,188
Wyoming	408	1	34	0	443	409	1	34	0	444	340	1	95	0	436
FAR WEST															
Alaska	330	126	318	0	774	322	119	332	0	773	332	146	380	0	858
California	13,694	5,001	36	320	19,051	14,446	5,220	208	337	20,211	15,799	5,416	149	418	21,782
Hawaii	471	12	565	120	1,168	485	11	682	163	1,341	506	9	557	124	1,196
Nevada	554	3	331	9	897	605	3	347	15	970	619	3	340	6	968
Oregon	863	41	544	29	1,477	1,022	40	214	69	1,345	927	41	197	197	1,362
Washington	1,536	5	4,595	302	6,438	1,578	4	4,455	99	6,136	1,645	4	4,792	169	6,610
TOTAL	\$78,468	\$20,290	\$97,357	\$5,231	\$201,346	\$79,733	\$20,906	\$101,387	\$4,494	\$206,520	\$82,940	\$21,580	\$104,080	\$5,060	\$213,660
District of Columbia	78	21	45	10	154	80	20	62	12	174					

*See Higher Education Notes for explanation.

TABLE 13
HIGHER EDUCATION EXPENDITURES AS A PERCENT OF
TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	11.2 %	9.8 %	9.8 %
Maine	3.8	3.7	3.6
Massachusetts	2.6	2.3	2.3
New Hampshire	2.3	2.3	2.2
Rhode Island	12.9	13.3	12.8
Vermont	1.7	1.8	1.7
MID-ATLANTIC			
Delaware	3.9	3.8	3.7
Maryland	14.1	14.4	14.1
New Jersey	8.5	8.7	8.7
New York	6.7	6.6	6.4
Pennsylvania	2.4	2.3	2.2
GREAT LAKES			
Illinois	3.6	2.8	2.9
Indiana	6.1	6.2	5.8
Michigan	4.0	4.0	4.2
Ohio	4.2	4.2	4.1
Wisconsin	14.4	14.3	14.3
PLAINS			
Iowa	26.6	26.5	26.7
Kansas	18.0	17.8	17.3
Minnesota	4.6	4.5	4.3
Missouri	4.8	4.5	4.2
Nebraska	24.2	23.6	24.4
North Dakota	17.8	19.7	24.6
South Dakota	18.3	21.0	18.4
SOUTHEAST			
Alabama	20.9	20.9	21.5
Arkansas	14.6	15.3	15.0
Florida	9.8	10.2	9.2
Georgia	18.7	19.0	19.6
Kentucky	24.5	24.0	23.6
Louisiana	9.2	8.9	8.3
Mississippi	19.2	19.8	18.1
North Carolina	13.2	13.2	13.2
South Carolina	21.8	19.5	21.0
Tennessee	14.2	14.9	13.3
Virginia	14.7	14.3	14.4
West Virginia	11.3	16.1	15.0
SOUTHWEST			
Arizona	16.5	17.0	17.7
New Mexico	16.3	15.0	15.1
Oklahoma	24.4	24.5	23.0
Texas	16.2	15.4	16.2
ROCKY MOUNTAIN			
Colorado	14.4	14.8	13.5
Idaho	9.5	9.3	10.3
Montana	9.8	9.6	9.2
Utah	13.6	13.4	13.0
Wyoming	10.0	10.0	9.3
FAR WEST			
Alaska	8.0	7.5	7.3
California	7.3	7.5	7.0
Hawaii	8.0	8.8	7.7
Nevada	6.4	6.8	6.6
Oregon	3.7	3.3	3.2
Washington	14.4	13.3	13.3
ALL STATES	10.4 %	10.3 %	10.1 %

TABLE 14
ANNUAL PERCENTAGE CHANGE IN HIGHER EDUCATION EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	-2.7 %	4.2 %	-9.8 %	2.7 %	12.0 %	2.5 %
Maine	1.3	—	1.3	3.2	—	1.9
Massachusetts	0.0	-11.1	-6.4	8.4	-25.0	5.0
New Hampshire	2.3	-100.0	0.7	0.8	—	-0.7
Rhode Island	7.8	0.0	8.2	3.9	-42.9	4.7
Vermont	3.3	—	6.3	0.0	—	-3.0
MID-ATLANTIC						
Delaware	-1.4	8.5	-2.9	2.8	-2.0	3.2
Maryland	3.1	7.3	2.7	5.0	2.3	3.8
New Jersey	6.0	-33.3	5.9	6.1	30.0	6.2
New York	2.2	9.1	2.4	1.6	2.9	1.5
Pennsylvania	1.2	—	1.1	2.6	—	1.0
GREAT LAKES						
Illinois	-15.3	-12.9	-14.3	3.1	-26.7	-0.7
Indiana	-6.5	—	6.4	9.1	-100.0	-4.1
Michigan	1.9	5.3	4.1	2.6	16.8	5.5
Ohio	0.1	-4.5	0.6	1.4	-4.8	0.0
Wisconsin	2.4	1.2	2.1	5.8	-0.4	4.3
PLAINS						
Iowa	2.7	-1.3	2.4	1.3	5.8	1.6
Kansas	1.0	-1.5	0.9	6.6	-2.1	5.4
Minnesota	6.2	0.0	3.8	-0.4	33.3	2.9
Missouri	-4.5	0.0	-4.7	1.7	-100.0	-4.4
Nebraska	-8.5	61.9	-0.3	3.3	1.8	3.0
North Dakota	-7.2	6.3	-4.1	33.6	84.0	39.9
South Dakota	24.5	0.0	21.1	-12.3	4.3	-12.0
SOUTHEAST						
Alabama	5.1	-8.3	2.2	1.6	-2.9	0.9
Arkansas	7.0	-22.2	6.9	-1.3	0.0	-1.3
Florida	5.8	-3.1	6.4	2.7	14.7	2.7
Georgia	4.8	3.4	5.3	6.0	159.0	7.5
Kentucky	0.9	-9.7	-0.3	0.2	4.3	0.6
Louisiana	8.2	-6.8	6.8	3.3	50.9	4.4
Mississippi	-0.7	7.0	-0.7	2.6	7.9	2.4
North Carolina	2.8	0.0	3.7	0.6	160.8	3.5
South Carolina	-2.6	5.0	-10.5	9.7	15.1	9.5
Tennessee	9.8	-5.5	9.5	-3.8	-8.7	-3.9
Virginia	4.2	-26.2	0.3	3.7	6.4	7.3
West Virginia	33.1	1,130.0	40.8	0.8	3.3	1.1
SOUTHWEST						
Arizona	8.1	11.5	8.5	5.3	8.0	5.6
New Mexico	-3.2	-8.2	-4.8	2.8	-4.6	1.5
Oklahoma	-1.5	-4.4	-2.2	-1.0	-2.4	-1.2
Texas	0.1	6.0	1.4	1.3	6.0	2.4
ROCKY MOUNTAIN						
Colorado	13.1	-18.8	11.1	-5.0	-3.9	-4.9
Idaho	3.5	0.0	3.5	28.4	220.0	29.7
Montana	-0.6	-26.2	-2.2	1.7	-64.5	-1.3
Utah	2.8	0.0	2.7	10.2	-11.1	10.1
Wyoming	0.2	0.0	0.2	-1.8	0.0	-1.8
FAR WEST						
Alaska	0.9	-5.6	-0.1	8.9	22.7	11.0
California	6.7	4.4	6.1	8.8	3.8	7.8
Hawaii	12.6	-8.3	14.8	-8.9	-18.2	-10.8
Nevada	7.6	0.0	8.1	0.7	0.0	-0.2
Oregon	-12.2	-2.4	-8.9	-9.1	2.5	1.3
Washington	-1.6	-20.0	-4.7	6.7	0.0	7.7
ALL STATES	3.0 %	3.0 %	2.6 %	3.3 %	3.2 %	3.5 %
MEDIAN	2.3	0.0	2.2	2.6	2.4	2.4

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

TABLE 15
ITEMS EXCLUDED FROM HIGHER EDUCATION EXPENDITURES

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Tuition and Fees	Student Loan Programs	University Research Grants	Vocational Education	Assistance To Private Colleges & Universities
NEW ENGLAND							
Connecticut	X	X					
Maine	P	P	P				N/A
Massachusetts	P	P	P	X		P	
New Hampshire	N/A	N/A	N/A	N/A	P		X
Rhode Island				P		P	P
Vermont	N/A	N/A	N/A		N/A	X	
MID-ATLANTIC							
Delaware			X		X	X	X
Maryland							
New Jersey					X	X	
New York	P	P			P	P	P
Pennsylvania	P	P		P	X	X	
GREAT LAKES							
Illinois	P	P	X	P	P		X
Indiana	P	P	X		X	P	X
Michigan	P	P	N/A	N/A	P		
Ohio*			N/A	N/A	N/A	P	N/A
Wisconsin					N/A		N/A
PLAINS							
Iowa							
Kansas*							
Minnesota	P	P	X	X	X	X	X
Missouri	X	X	X		X	X	X
Nebraska			N/A	N/A	N/A		X
North Dakota						X	
South Dakota							X
SOUTHEAST							
Alabama							
Arkansas					P		
Florida			P		X		
Georgia				X	P		
Kentucky						N/A	
Louisiana					X		
Mississippi							N/A
North Carolina							
South Carolina							
Tennessee				N/A	X		
Virginia				X			
West Virginia				X	P	P	
SOUTHWEST							
Arizona			X		X		X
New Mexico							
Oklahoma				P	P	P	P
Texas							
ROCKY MOUNTAIN							
Colorado*	P	P		X	X		X
Idaho				X	X	X	N/A
Montana				X	X		
Utah					N/A		N/A
Wyoming							X
FAR WEST							
Alaska							X
California			X		P	P	P
Hawaii	P	P		X	X	X	X
Nevada				X	X	X	X
Oregon	P	P	P	P	P	P	P
Washington				N/A	X		N/A
ALL STATES	15	15	16	21	31	20	26
District of Columbia							

Excluded=X Partially Excluded=P Not Applicable=N/A
 *See Higher Education Notes for explanation.

Higher Education Notes

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

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

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

Kansas: Employer contributions to employee health benefits excludes the contributions of USDs for their employee health benefits; includes contributions for KSDE employees.

Maryland: FY 2017 Actual for bond funds was updated to include an additional \$248,000 in bond funds from Baltimore City Community College that were inadvertently omitted. Prior years submission excluded Academic Revenue Bonds from the Total Bond Funds. Total Bond Funds includes these bonds in this submission.

New York: Spending for 2018 Other State Funds has been adjusted from the prior year survey to include \$4 million in Higher Education Facilities Corporation spending.

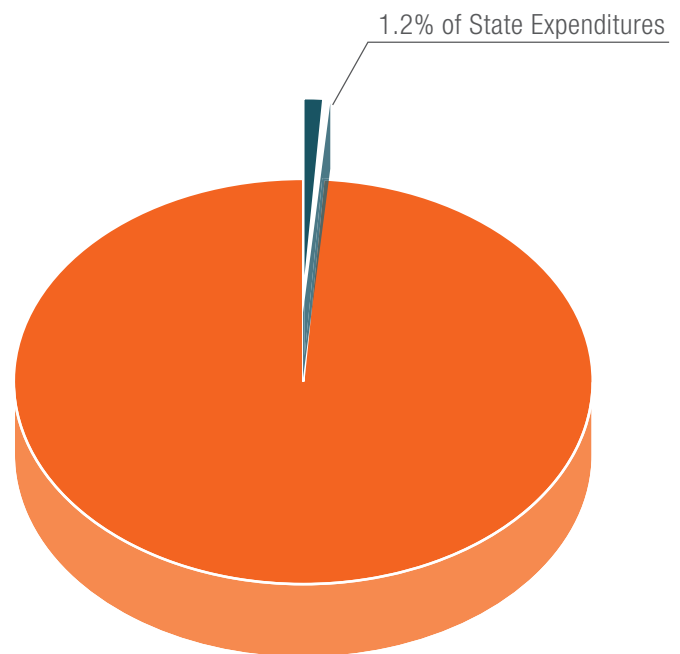
Ohio: Employer contributions to current employees' pensions and employer contributions to employee health benefits are not direct expenditures of the state; however, some of the unrestricted support provided to higher education institutions can be assumed to have been used to help cover these costs.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

3

CHAPTER



PUBLIC ASSISTANCE EXPENDITURES



Public Assistance Expenditures

This chapter contains data primarily on the Temporary Assistance for Needy Families (TANF) program and other cash assistance programs. Spending for these categories totaled \$26.2 billion in fiscal 2019 and represented 1.2 percent of total state expenditures. Public assistance spending from all funds increased by 5.9 percent from fiscal 2018 to fiscal 2019, with spending from state funds remaining flat and spending from federal funds increasing by 10.2 percent. The timing of expenditures may vary from year to year and may not reflect underlying program activity in a given year. Large swings in some states often due in part to timing and reporting issues can substantially affect average spending growth rates and therefore median rates may be more reflective of underlying trends. On a median basis, total public assistance spending grew by 0.3 percent with federal funds growing by 1.5 percent and state funds remaining flat from fiscal 2018 to fiscal 2019. The primary sources of public assistance funding for fiscal 2019 are federal funds, providing 60.4 percent, followed by general funds at 29.8 percent and other states funds at 9.8 percent (see Figure 12).

Spending on public assistance from all funds decreased 3.1 percent from fiscal 2017 to fiscal 2018 to total \$24.8 billion. State funds decreased by 2.6 percent and federal funds declined by 3.5 percent. Looking at the figures on a median basis, total spending in fiscal 2018 declined by 2.5 percent with state funds decreasing by 4.0 percent and federal funds decreasing by 3.5 percent.

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

TANF

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

contribute, from their own funds, at least \$10.3 billion annually under the MOE requirement.

TANF was reauthorized through September 2010 under the Deficit Reduction Act of 2005. Since then, Congress has continued funding the program through short-term extensions, often through continuing resolutions, and the program is currently funded through a continuing resolution.

The program includes specific definitions of work, work verification requirements, and penalties if states do not meet the requirements. Because of these changes, most states must significantly increase work participation rates. The Department of Health and Human Services, in consultation with the Department of Labor, is required to develop a database on proven and promising projects to move TANF recipients into work as part of the Consolidated Appropriations Act of 2017. Nationwide, in fiscal 2018, the overall work participation rate was 48.1 percent, while the two-parent rate was 57.9 percent.

This report primarily has information on the cash assistance benefit levels within the programs and in most cases does not reflect total TANF spending. Based on the most recent data from the federal Administration for Children and Families, states spent a total of \$31.3 billion in TANF and maintenance-of-effort (MOE) funds and transfers in federal fiscal year 2018. Cash assistance payments under TANF comprise approximately 21.4 percent of total TANF spending, with 10.7 percent used for work, education and training activities, 17.0 percent used for childcare, 8.3 percent used for pre-K and Head Start, and 7.5 percent used for child welfare services. Families that have received federally funded assistance under TANF for five cumulative years are not eligible for federally funded assistance, though states have considerable flexibility in determining how time limits apply to individual families.

Since welfare reform was initially passed in 1996, states have focused on providing supportive services for families to achieve self-sufficiency. Since 1996, caseloads have declined significantly. The average monthly number of recipients fell from 12.8 million prior to the enactment of TANF to 2.0 million in March 2019.

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

TABLE 16
REGIONAL PERCENTAGE CHANGE IN STATE TOTAL CASH ASSISTANCE EXPENDITURES,
FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-1.4 %	15.2 %	1.2 %	1.1 %	11.9 %	3.0 %
Mid-Atlantic	-2.1	-5.1	-4.3	-6.8	24.2	14.9
Great Lakes	-8.0	2.5	-1.1	-5.1	-2.3	-3.2
Plains	-0.3	-13.6	-7.4	-4.0	6.5	1.2
Southeast	-7.3	-3.6	-4.4	5.5	15.1	12.9
Southwest	-6.5	-11.2	-10.1	0.0	3.6	2.8
Rocky Mountain	-2.0	-0.8	-0.8	0.0	-1.3	-1.3
Far West	-2.1	-3.5	-2.7	1.8	3.9	2.8
ALL STATES	-2.6 %	-3.5 %	-3.1 %	0.0 %	10.2 %	5.9 %

Fund Shares

Figure 12 below provides fund shares for fiscal 2019.

Regional Expenditures

Table 16 shows regional percentage changes in expenditures for total cash assistance for fiscal 2017–2018 and 2018–2019 by region.

Expenditures for Temporary Assistance for Needy Families (TANF) Program

State and federal funds for TANF expenditures totaled \$15.5 billion in fiscal 2019, an increase of 8.0 percent from 2018 to 2019 (see Table 23). State funds decreased by 0.7 percent and federal funds increased by 12.1 percent. Cash assistance payments under TANF comprise approximately 21.4 percent of total TANF spending. For fiscal 2018, total spending for TANF cash assistance expenditures decreased by 4.8 percent to \$14.3 billion, with state funds decreasing by 5.8 percent and federal spending decreasing by 4.3 percent. The timing of expenditures may vary from year to year and may not reflect underlying program activity in a given year. Large swings in some states often due in part to timing and reporting issues can substantially affect average spending growth rates and therefore looking at median rates or spending over several years may better reflect underlying program activity.

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

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

FIGURE 12
STATE EXPENDITURES FOR TOTAL PUBLIC ASSISTANCE
BY FUND SOURCE, ESTIMATED FISCAL 2019

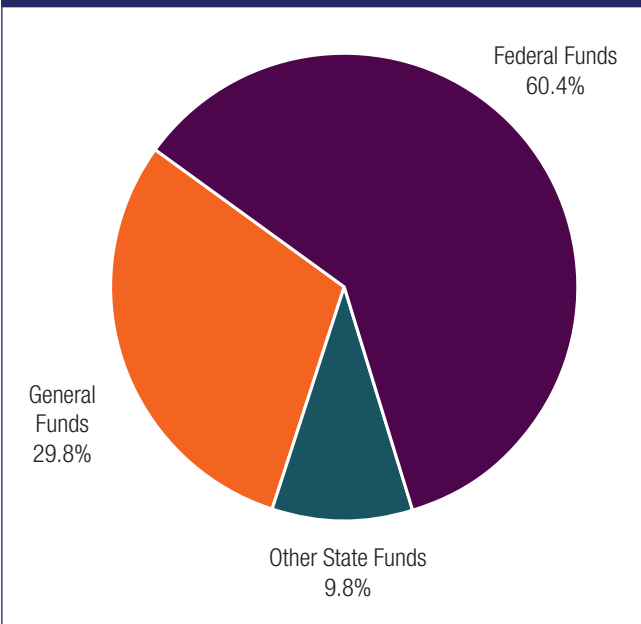
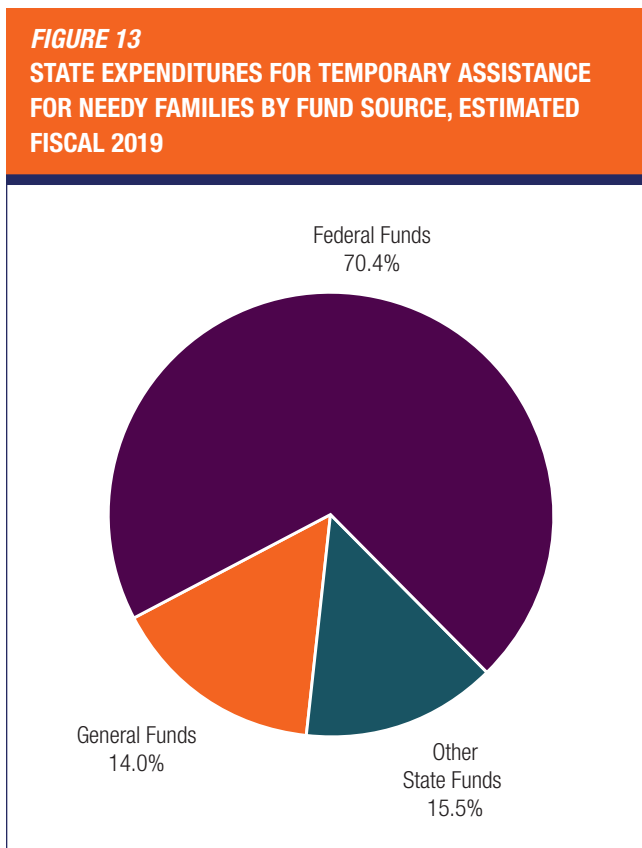


TABLE 17
REGIONAL PERCENTAGE CHANGE IN STATE TANF EXPENDITURES,
FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	0.2 %	15.2 %	2.8 %	1.8 %	21.1 %	5.6 %
Mid-Atlantic	-10.7	-4.5	-5.1	-7.7	32.9	29.6
Great Lakes	-8.0	2.4	-0.4	-6.3	-2.8	-3.7
Plains	-1.8	-13.4	-9.9	-8.7	7.1	1.9
Southeast	-7.8	-2.3	-3.2	5.6	16.4	14.8
Southwest	0.0	-6.6	-5.4	0.0	4.1	3.3
Rocky Mountain	-2.9	4.9	3.9	0.0	-10.5	-9.3
Far West	-6.5	-7.1	-6.8	-0.2	0.5	0.1
ALL STATES	-5.8 %	-4.3 %	-4.8 %	-0.7 %	12.1 %	8.0 %

Fund Shares

Figure 13 provides fund shares for fiscal 2019.



Regional Expenditures

Table 17 shows percentage changes in expenditures for TANF cash assistance for fiscal 2017–2018 and 2018–2019 by region.

Expenditures for Other Cash Assistance

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

Other cash assistance programs accounted for 0.5 percent of total state spending in fiscal 2019. States spent \$10.7 billion for other cash assistance, with 54 percent of that amount funded from state funds in fiscal 2019. Expenditure data for other cash assistance can be found on Tables 24–26.

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

Region/State	Actual Fiscal 2017				Actual Fiscal 2018				Estimated Fiscal 2019			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
NEW ENGLAND												
Connecticut	\$386	\$0	\$0	\$386	\$384	\$0	\$0	\$384	385	0	0	\$385
Maine	43	42	93	178	41	60	92	193	32	66	92	190
Massachusetts	510	2	0	512	499	3	0	502	514	2	0	516
New Hampshire	49	22	0	71	49	42	0	91	56	47	0	103
Rhode Island	30	76	0	106	31	73	0	104	30	91	0	121
Vermont	26	69	2	97	25	65	2	92	22	66	4	92
MID-ATLANTIC												
Delaware	21	3	2	26	20	2	2	24	19	1	2	22
Maryland	64	1,100	12	1,176	55	1,029	10	1,094	45	1,102	10	1,157
New Jersey	159	58	0	217	143	51	0	194	145	44	0	189
New York*	1,130	2,300	0	3,430	1,137	2,161	0	3,298	1,038	3,088	0	4,126
Pennsylvania	305	649	2	956	290	656	2	948	285	606	2	893
GREAT LAKES												
Illinois	93	0	0	93	98	0	0	98	99	0	0	99
Indiana	27	189	0	216	21	222	0	243	21	211	0	232
Michigan	137	118	16	271	120	135	15	270	105	142	15	262
Ohio	162	710	0	872	150	685	0	835	149	663	0	812
Wisconsin	84	1	9	94	73	1	9	83	63	3	9	75
PLAINS												
Iowa	46	30	9	85	53	20	6	79	50	33	9	92
Kansas	0	15	0	15	0	13	0	13	0	12	0	12
Minnesota	175	216	0	391	173	188	0	361	169	191	0	360
Missouri	39	68	32	139	36	60	31	127	35	70	31	136
Nebraska	18	34	0	52	17	33	0	50	12	28	0	40
North Dakota	0	2	2	4	1	0	3	4	0	2	1	3
South Dakota	9	11	0	20	9	11	0	20	9	10	0	19
SOUTHEAST												
Alabama	0	25	0	25	0	24	0	24	0	25	0	25
Arkansas	159	297	30	486	162	300	14	476	151	300	28	479
Florida	137	56	0	193	125	26	0	151	128	58	0	186
Georgia	0	340	0	340	0	326	0	326	0	328	0	328
Kentucky	64	99	1	164	56	105	0	161	55	101	0	156
Louisiana	0	141	0	141	0	140	0	140	0	140	0	140
Mississippi	27	842	5	874	24	801	4	829	25	1,043	5	1,073
North Carolina	58	44	58	160	58	44	58	160	58	44	58	160
South Carolina	19	62	1	82	15	58	1	74	35	42	1	78
Tennessee	14	43	0	57	12	37	0	49	14	99	0	113
Virginia	40	91	0	131	39	95	0	134	43	85	0	128
West Virginia	30	85	0	115	28	93	0	121	28	93	0	121
SOUTHWEST												
Arizona	0	222	0	222	0	217	0	217	0	223	0	223
New Mexico	1	128	0	129	1	127	0	128	1	132	0	133
Oklahoma	87	106	0	193	78	64	0	142	78	64	0	142
Texas	50	8	0	58	50	4	0	54	50	8	0	58
ROCKY MOUNTAIN												
Colorado	0	1,434	0	1,434	0	1,423	0	1,423	0	1,434	0	1,434
Idaho	16	1	0	17	16	1	0	17	15	2	0	17
Montana	12	27	0	39	11	31	0	42	12	20	0	32
Utah	21	82	0	103	21	77	0	98	21	56	0	77
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST												
Alaska	83	20	15	118	82	20	14	116	81	22	18	121
California	3,825	4,801	2,029	10,655	3,590	4,623	2,150	10,363	3,572	4,799	2,278	10,649
Hawaii	45	25	0	70	48	10	0	58	45	10	0	55
Nevada	25	17	0	42	25	17	0	42	25	19	0	44
Oregon	57	63	0	120	43	89	2	134	45	93	0	138
Washington	51	132	0	183	47	121	0	168	48	129	0	177
TOTAL	\$8,334	\$14,906	\$2,318	\$25,558	\$7,956	\$14,383	\$2,415	\$24,754	\$7,813	\$15,847	\$2,563	\$26,223
District of Columbia	58	119	1	178	67	68	1	136				

Note: This table reflects TANF and other cash assistance expenditures.
*See Public Assistance Notes for explanation.

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

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	1.2 %	1.2 %	1.1 %
Maine	2.2	2.3	2.2
Massachusetts	0.9	0.9	0.9
New Hampshire	1.2	1.5	1.7
Rhode Island	1.2	1.1	1.2
Vermont	1.7	1.6	1.6
MID-ATLANTIC			
Delaware	0.2	0.2	0.2
Maryland	2.7	2.5	2.5
New Jersey	0.4	0.3	0.3
New York	2.2	2.0	2.4
Pennsylvania	1.2	1.1	1.0
GREAT LAKES			
Illinois	0.1	0.1	0.1
Indiana	0.7	0.7	0.7
Michigan	0.5	0.5	0.5
Ohio	1.3	1.2	1.1
Wisconsin	0.2	0.2	0.1
PLAINS			
Iowa	0.4	0.3	0.4
Kansas	0.1	0.1	0.1
Minnesota	1.0	0.9	0.9
Missouri	0.5	0.5	0.5
Nebraska	0.4	0.4	0.3
North Dakota	0.1	0.1	0.0
South Dakota	0.5	0.4	0.4
SOUTHEAST			
Alabama	0.1	0.1	0.1
Arkansas	1.9	1.9	1.9
Florida	0.3	0.2	0.2
Georgia	0.7	0.6	0.6
Kentucky	0.5	0.5	0.4
Louisiana	0.5	0.4	0.4
Mississippi	4.3	4.2	4.9
North Carolina	0.3	0.3	0.3
South Carolina	0.3	0.3	0.3
Tennessee	0.2	0.1	0.3
Virginia	0.3	0.3	0.2
West Virginia	0.7	0.7	0.7
SOUTHWEST			
Arizona	0.6	0.6	0.6
New Mexico	0.7	0.6	0.6
Oklahoma	0.8	0.6	0.6
Texas	0.1	0.0	0.1
ROCKY MOUNTAIN			
Colorado	3.9	3.6	3.4
Idaho	0.2	0.2	0.2
Montana	0.6	0.6	0.4
Utah	0.7	0.7	0.5
Wyoming	0.0	0.0	0.0
FAR WEST			
Alaska	1.2	1.1	1.0
California	4.1	3.8	3.4
Hawaii	0.5	0.4	0.4
Nevada	0.3	0.3	0.3
Oregon	0.3	0.3	0.3
Washington	0.4	0.4	0.4
ALL STATES	1.3 %	1.2 %	1.2 %

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

TABLE 20
ANNUAL PERCENTAGE CHANGE IN TOTAL PUBLIC ASSISTANCE EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	-0.5 %	— %	-0.5 %	0.3 %	— %	0.3 %
Maine	-2.2	42.9	8.4	-6.8	10.0	-1.6
Massachusetts	-2.2	50.0	-2.0	3.0	-33.3	2.8
New Hampshire	0.0	90.9	28.2	14.3	11.9	13.2
Rhode Island	3.3	-3.9	-1.9	-3.2	24.7	16.3
Vermont	-3.6	-5.8	-5.2	-3.7	1.5	0.0
MID-ATLANTIC						
Delaware	-4.3	-33.3	-7.7	-4.5	-50.0	-8.3
Maryland	-14.5	-6.5	-7.0	-15.4	7.1	5.8
New Jersey	-10.1	-12.1	-10.6	1.4	-13.7	-2.6
New York	0.6	-6.0	-3.8	-8.7	42.9	25.1
Pennsylvania	-4.9	1.1	-0.8	-1.7	-7.6	-5.8
GREAT LAKES						
Illinois	5.4	—	5.4	1.0	—	1.0
Indiana	-22.2	17.5	12.5	0.0	-5.0	-4.5
Michigan	-11.8	14.4	-0.4	-11.1	5.2	-3.0
Ohio	-7.4	-3.5	-4.2	-0.7	-3.2	-2.8
Wisconsin	-11.8	0.0	-11.7	-12.2	200.0	-9.6
PLAINS						
Iowa	7.3	-33.3	-7.1	0.0	65.0	16.5
Kansas	—	-13.3	-13.3	—	-7.7	-7.7
Minnesota	-1.1	-13.0	-7.7	-2.3	1.6	-0.3
Missouri	-5.6	-11.8	-8.6	-1.5	16.7	7.1
Nebraska	-5.6	-2.9	-3.8	-29.4	-15.2	-20.0
North Dakota	100.0	-100.0	0.0	-75.0	—	-25.0
South Dakota	0.0	0.0	0.0	0.0	-9.1	-5.0
SOUTHEAST						
Alabama	—	-4.0	-4.0	—	4.2	4.2
Arkansas	-6.9	1.0	-2.1	1.7	0.0	0.6
Florida	-8.8	-53.6	-21.8	2.4	123.1	23.2
Georgia	—	-4.1	-4.1	—	0.6	0.6
Kentucky	-13.8	6.1	-1.8	-1.8	-3.8	-3.1
Louisiana	—	-0.7	-0.7	—	0.0	0.0
Mississippi	-12.5	-4.9	-5.1	7.1	30.2	29.4
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0
South Carolina	-20.0	-6.5	-9.8	125.0	-27.6	5.4
Tennessee	-14.3	-14.0	-14.0	16.7	167.6	130.6
Virginia	-2.5	4.4	2.3	10.3	-10.5	-4.5
West Virginia	-6.7	9.4	5.2	0.0	0.0	0.0
SOUTHWEST						
Arizona	—	-2.3	-2.3	—	2.8	2.8
New Mexico	0.0	-0.8	-0.8	0.0	3.9	3.9
Oklahoma	-10.3	-39.6	-26.4	0.0	0.0	0.0
Texas	0.0	-50.0	-6.9	0.0	100.0	7.4
ROCKY MOUNTAIN						
Colorado	—	-0.8	-0.8	—	0.8	0.8
Idaho	0.0	0.0	0.0	-6.3	100.0	0.0
Montana	-8.3	14.8	7.7	9.1	-35.5	-23.8
Utah	0.0	-6.1	-4.9	0.0	-27.3	-21.4
Wyoming	—	—	—	—	—	—
FAR WEST						
Alaska	-2.0	0.0	-1.7	3.1	10.0	4.3
California	-1.9	-3.7	-2.7	1.9	3.8	2.8
Hawaii	6.7	-60.0	-17.1	-6.3	0.0	-5.2
Nevada	0.0	0.0	0.0	0.0	11.8	4.8
Oregon	-21.1	41.3	11.7	0.0	4.5	3.0
Washington	-7.8	-8.3	-8.2	2.1	—	5.4
ALL STATES	-2.6 %	-3.5 %	-3.1 %	0.0 %	10.2 %	5.9 %
MEDIAN	-4.0	-3.5	-2.5	0.0	1.5	0.3

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

TABLE 21
TEMPORARY ASSISTANCE TO NEEDY FAMILIES EXPENDITURES (TANF) (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017				Actual Fiscal 2018				Estimated Fiscal 2019			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
NEW ENGLAND												
Connecticut	\$266	\$0	\$0	\$266	\$266	\$0	\$0	\$266	\$266	\$0	\$0	\$266
Maine	17	33	92	142	21	38	92	151	15	50	92	157
Massachusetts	203	0	0	203	200	0	0	200	211	0	0	211
New Hampshire	33	22	0	55	34	42	0	76	41	47	0	88
Rhode Island	0	54	0	54	0	51	0	51	0	65	0	65
Vermont	8	23	2	33	8	21	1	30	6	22	2	30
MID-ATLANTIC												
Delaware	15	1	1	17	13	1	1	15	13	0	1	14
Maryland	21	92	5	118	16	92	4	112	7	94	5	106
New Jersey	43	12	0	55	35	22	0	57	25	16	0	41
New York*	0	2,300	0	2,300	0	2,161	0	2,161	0	3,088	0	3,088
Pennsylvania	174	370	2	546	162	373	2	537	162	322	2	486
GREAT LAKES												
Illinois	93	0	0	93	98	0	0	98	99	0	0	99
Indiana	27	189	0	216	21	222	0	243	21	211	0	232
Michigan	43	105	11	159	25	121	11	157	6	125	11	142
Ohio	152	710	0	862	148	685	0	833	149	663	0	812
Wisconsin	35	0	0	35	29	0	0	29	25	0	0	25
PLAINS												
Iowa	36	30	9	75	43	20	6	69	40	33	8	81
Kansas	0	15	0	15	0	13	0	13	0	12	0	12
Minnesota	88	216	0	304	85	188	0	273	79	191	0	270
Missouri	10	68	0	78	6	60	0	66	6	70	0	76
Nebraska	10	30	0	40	8	30	0	38	4	27	0	31
North Dakota	0	2	2	4	1	0	3	4	0	2	1	3
South Dakota	9	11	0	20	9	11	0	20	9	10	0	19
SOUTHEAST												
Alabama	0	25	0	25	0	24	0	24	0	25	0	25
Arkansas	24	59	1	84	28	59	0	87	24	63	0	87
Florida	127	20	0	147	116	22	0	138	116	28	0	144
Georgia	0	340	0	340	0	326	0	326	0	328	0	328
Kentucky	64	99	1	164	56	105	0	161	55	101	0	156
Louisiana	0	141	0	141	0	140	0	140	0	140	0	140
Mississippi	27	842	5	874	24	801	4	829	25	1,043	5	1,073
North Carolina	0	43	0	43	0	43	0	43	0	43	0	43
South Carolina	3	23	1	27	0	24	1	25	14	10	1	25
Tennessee	14	43	0	57	12	37	0	49	14	99	0	113
Virginia	40	28	0	68	39	33	0	72	43	14	0	57
West Virginia	25	85	0	110	26	93	0	119	26	93	0	119
SOUTHWEST												
Arizona	0	222	0	222	0	217	0	217	0	223	0	223
New Mexico	0	128	0	128	0	127	0	127	0	132	0	132
Oklahoma	39	37	0	76	39	21	0	60	39	21	0	60
Texas	50	8	0	58	50	4	0	54	50	8	0	58
ROCKY MOUNTAIN												
Colorado	0	135	0	135	0	148	0	148	0	152	0	152
Idaho	6	1	0	7	6	1	0	7	5	2	0	7
Montana	12	27	0	39	11	31	0	42	12	20	0	32
Utah	16	82	0	98	16	77	0	93	16	56	0	72
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST												
Alaska	7	20	0	27	5	20	0	25	4	21	0	25
California	882	3,240	2,029	6,151	584	2,992	2,150	5,726	455	2,992	2,278	5,725
Hawaii	19	25	0	44	21	10	0	31	18	10	0	28
Nevada	25	17	0	42	25	17	0	42	25	19	0	44
Oregon	57	58	0	115	40	84	2	126	40	88	0	128
Washington	11	132	0	143	7	121	0	128	7	129	0	136
TOTAL	\$2,731	\$10,163	\$2,161	\$15,055	\$2,333	\$9,728	\$2,277	\$14,338	\$2,172	\$10,908	\$2,406	\$15,486
District of Columbia	54	119	0	173	62	68	0	130				

*See Public Assistance Notes for explanation.

TABLE 22
TANF EXPENDITURES AS A PERCENT OF TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	0.8 %	0.8 %	0.8 %
Maine	1.7	1.8	1.8
Massachusetts	0.4	0.4	0.4
New Hampshire	0.9	1.2	1.4
Rhode Island	0.6	0.6	0.6
Vermont	0.6	0.5	0.5
MID-ATLANTIC			
Delaware	0.2	0.1	0.1
Maryland	0.3	0.3	0.2
New Jersey	0.1	0.1	0.1
New York	1.5	1.3	1.8
Pennsylvania	0.7	0.6	0.5
GREAT LAKES			
Illinois	0.1	0.1	0.1
Indiana	0.7	0.7	0.7
Michigan	0.3	0.3	0.2
Ohio	1.3	1.2	1.1
Wisconsin	0.1	0.1	0.0
PLAINS			
Iowa	0.3	0.3	0.3
Kansas	0.1	0.1	0.1
Minnesota	0.8	0.7	0.6
Missouri	0.3	0.3	0.3
Nebraska	0.3	0.3	0.3
North Dakota	0.1	0.1	0.0
South Dakota	0.5	0.4	0.4
SOUTHEAST			
Alabama	0.1	0.1	0.1
Arkansas	0.3	0.3	0.3
Florida	0.2	0.2	0.2
Georgia	0.7	0.6	0.6
Kentucky	0.5	0.5	0.4
Louisiana	0.5	0.4	0.4
Mississippi	4.3	4.2	4.9
North Carolina	0.1	0.1	0.1
South Carolina	0.1	0.1	0.1
Tennessee	0.2	0.1	0.3
Virginia	0.1	0.1	0.1
West Virginia	0.6	0.7	0.7
SOUTHWEST			
Arizona	0.6	0.6	0.6
New Mexico	0.6	0.6	0.6
Oklahoma	0.3	0.3	0.3
Texas	0.1	0.0	0.1
ROCKY MOUNTAIN			
Colorado	0.4	0.4	0.4
Idaho	0.1	0.1	0.1
Montana	0.6	0.6	0.4
Utah	0.7	0.6	0.4
Wyoming	0.0	0.0	0.0
FAR WEST			
Alaska	0.3	0.2	0.2
California	2.4	2.1	1.8
Hawaii	0.3	0.2	0.2
Nevada	0.3	0.3	0.3
Oregon	0.3	0.3	0.3
Washington	0.3	0.3	0.3
ALL STATES	0.8 %	0.7 %	0.7 %

TABLE 23
ANNUAL PERCENTAGE CHANGE IN TANF EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	0.0 %	— %	0.0 %	0.0 %	— %	0.0 %
Maine	3.7	15.2	6.3	-5.3	31.6	4.0
Massachusetts	-1.5	—	-1.5	5.5	—	5.5
New Hampshire	3.0	90.9	38.2	20.6	11.9	15.8
Rhode Island	—	-5.6	-5.6	—	27.5	27.5
Vermont	-10.0	-8.7	-9.1	-11.1	4.8	0.0
MID-ATLANTIC						
Delaware	-12.5	0.0	-11.8	0.0	-100.0	-6.7
Maryland	-23.1	0.0	-5.1	-40.0	2.2	-5.4
New Jersey	-18.6	83.3	3.6	-28.6	-27.3	-28.1
New York	—	-6.0	-6.0	—	42.9	42.9
Pennsylvania	-6.8	0.8	-1.6	0.0	-13.7	-9.5
GREAT LAKES						
Illinois	5.4	—	5.4	1.0	—	1.0
Indiana	-22.2	17.5	12.5	0.0	-5.0	-4.5
Michigan	-33.3	15.2	-1.3	-52.8	3.3	-9.6
Ohio	-2.6	-3.5	-3.4	0.7	-3.2	-2.5
Wisconsin	-17.1	—	-17.1	-13.8	—	-13.8
PLAINS						
Iowa	8.9	-33.3	-8.0	-2.0	65.0	17.4
Kansas	—	-13.3	-13.3	—	-7.7	-7.7
Minnesota	-3.4	-13.0	-10.2	-7.1	1.6	-1.1
Missouri	-40.0	-11.8	-15.4	0.0	16.7	15.2
Nebraska	-20.0	0.0	-5.0	-50.0	-10.0	-18.4
North Dakota	100.0	-100.0	0.0	-75.0	—	-25.0
South Dakota	0.0	0.0	0.0	0.0	-9.1	-5.0
SOUTHEAST						
Alabama	—	-4.0	-4.0	—	4.2	4.2
Arkansas	12.0	0.0	3.6	-14.3	6.8	0.0
Florida	-8.7	10.0	-6.1	0.0	27.3	4.3
Georgia	—	-4.1	-4.1	—	0.6	0.6
Kentucky	-13.8	6.1	-1.8	-1.8	-3.8	-3.1
Louisiana	—	-0.7	-0.7	—	0.0	0.0
Mississippi	-12.5	-4.9	-5.1	7.1	30.2	29.4
North Carolina	—	0.0	0.0	—	0.0	0.0
South Carolina	-75.0	4.3	-7.4	1,400.0	-58.3	0.0
Tennessee	-14.3	-14.0	-14.0	16.7	167.6	130.6
Virginia	-2.5	17.9	5.9	10.3	-57.6	-20.8
West Virginia	4.0	9.4	8.2	0.0	0.0	0.0
SOUTHWEST						
Arizona	—	-2.3	-2.3	—	2.8	2.8
New Mexico	—	-0.8	-0.8	—	3.9	3.9
Oklahoma	0.0	-43.2	-21.1	0.0	0.0	0.0
Texas	0.0	-50.0	-6.9	0.0	100.0	7.4
ROCKY MOUNTAIN						
Colorado	—	9.6	9.6	—	2.7	2.7
Idaho	0.0	0.0	0.0	-16.7	100.0	0.0
Montana	-8.3	14.8	7.7	9.1	-35.5	-23.8
Utah	0.0	-6.1	-5.1	0.0	-27.3	-22.6
Wyoming	—	—	—	—	—	—
FAR WEST						
Alaska	-28.6	0.0	-7.4	-20.0	5.0	0.0
California	-6.1	-7.7	-6.9	0.0	0.0	0.0
Hawaii	10.5	-60.0	-29.5	-14.3	0.0	-9.7
Nevada	0.0	0.0	0.0	0.0	11.8	4.8
Oregon	-26.3	44.8	9.6	-4.8	4.8	1.6
Washington	-36.4	-8.3	-10.5	0.0	6.6	6.3
ALL STATES	-5.8 %	-4.3 %	-4.8 %	-0.7 %	12.1 %	8.0 %

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

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

Region/State	Actual Fiscal 2017				Actual Fiscal 2018				Estimated Fiscal 2019			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
NEW ENGLAND												
Connecticut	\$120	\$0	\$0	\$120	\$118	\$0	\$0	\$118	\$119	\$0	\$0	\$119
Maine	26	9	1	36	20	22	0	42	17	16	0	33
Massachusetts	307	2	0	309	299	3	0	302	303	2	0	305
New Hampshire	16	0	0	16	15	0	0	15	15	0	0	15
Rhode Island	30	22	0	52	31	22	0	53	30	26	0	56
Vermont	18	46	0	64	17	44	1	62	16	44	2	62
MID-ATLANTIC												
Delaware	6	2	1	9	7	1	1	9	6	1	1	8
Maryland	43	1,008	7	1,058	39	937	6	982	38	1,008	5	1,051
New Jersey	116	46	0	162	108	29	0	137	120	28	0	148
New York	1,130	0	0	1,130	1,137	0	0	1,137	1,038	0	0	1,038
Pennsylvania	131	279	0	410	128	283	0	411	123	284	0	407
GREAT LAKES												
Illinois	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	94	13	5	112	95	14	4	113	99	17	4	120
Ohio	10	0	0	10	2	0	0	2	0	0	0	0
Wisconsin	49	1	9	59	44	1	9	54	38	3	9	50
PLAINS												
Iowa	10	0	0	10	10	0	0	10	10	0	1	11
Kansas	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	88	0	0	88	88	0	0	88	90	0	0	90
Missouri	29	0	32	61	30	0	31	61	29	0	31	60
Nebraska	8	4	0	12	9	3	0	12	8	1	0	9
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
SOUTHEAST												
Alabama	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	135	238	29	402	135	241	13	389	128	238	28	394
Florida	10	36	0	46	9	4	0	13	12	30	0	42
Georgia	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	58	1	58	117	58	1	58	117	58	1	58	117
South Carolina	16	39	0	55	15	34	0	49	21	32	0	53
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	63	0	63	0	63	0	63	0	71	0	71
West Virginia	5	0	0	5	2	0	0	2	2	0	0	2
SOUTHWEST												
Arizona	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	1	0	0	1	1	0	0	1	1	0	0	1
Oklahoma	48	69	0	117	39	43	0	82	39	43	0	82
Texas	0	0	0	0	0	0	0	0	0	0	0	0
ROCKY MOUNTAIN												
Colorado	0	1,299	0	1,299	0	1,275	0	1,275	0	1,282	0	1,282
Idaho	10	0	0	10	10	0	0	10	10	0	0	10
Montana	0	0	0	0	0	0	0	0	0	0	0	0
Utah	5	0	0	5	5	0	0	5	5	0	0	5
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST												
Alaska	76	1	15	92	77	0	14	91	78	2	18	98
California	2,943	1,561	0	4,504	3,006	1,631	0	4,637	3,118	1,807	0	4,925
Hawaii	26	0	0	26	27	0	0	27	27	0	0	27
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	5	0	5	3	5	0	8	5	5	0	10
Washington	40	0	0	40	40	0	0	40	41	0	0	41
TOTAL	\$5,604	\$4,744	\$157	\$10,505	\$5,624	\$4,656	\$137	\$10,417	\$5,644	\$4,941	\$157	\$10,742
District of Columbia	4	0	1	5	5	0	1	6				

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

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	0.4 %	0.4 %	0.3 %
Maine	0.4	0.5	0.4
Massachusetts	0.6	0.5	0.5
New Hampshire	0.3	0.2	0.2
Rhode Island	0.6	0.6	0.6
Vermont	1.2	1.1	1.1
MID-ATLANTIC			
Delaware	0.1	0.1	0.1
Maryland	2.4	2.2	2.3
New Jersey	0.3	0.2	0.2
New York	0.7	0.7	0.6
Pennsylvania	0.5	0.5	0.5
GREAT LAKES			
Illinois	0.0	0.0	0.0
Indiana	0.0	0.0	0.0
Michigan	0.2	0.2	0.2
Ohio	0.0	0.0	0.0
Wisconsin	0.1	0.1	0.1
PLAINS			
Iowa	0.0	0.0	0.0
Kansas	0.0	0.0	0.0
Minnesota	0.2	0.2	0.2
Missouri	0.2	0.2	0.2
Nebraska	0.1	0.1	0.1
North Dakota	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0
SOUTHEAST			
Alabama	0.0	0.0	0.0
Arkansas	1.6	1.5	1.5
Florida	0.1	0.0	0.0
Georgia	0.0	0.0	0.0
Kentucky	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0
North Carolina	0.2	0.2	0.2
South Carolina	0.2	0.2	0.2
Tennessee	0.0	0.0	0.0
Virginia	0.1	0.1	0.1
West Virginia	0.0	0.0	0.0
SOUTHWEST			
Arizona	0.0	0.0	0.0
New Mexico	0.0	0.0	0.0
Oklahoma	0.5	0.4	0.3
Texas	0.0	0.0	0.0
ROCKY MOUNTAIN			
Colorado	3.5	3.2	3.1
Idaho	0.1	0.1	0.1
Montana	0.0	0.0	0.0
Utah	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0
FAR WEST			
Alaska	0.9	0.9	0.8
California	1.7	1.7	1.6
Hawaii	0.2	0.2	0.2
Nevada	0.0	0.0	0.0
Oregon	0.0	0.0	0.0
Washington	0.1	0.1	0.1
ALL STATES	0.5 %	0.5 %	0.5 %

TABLE 26

ANNUAL PERCENTAGE CHANGE IN OTHER CASH ASSISTANCE EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	-1.7 %	— %	-1.7 %	0.8 %	— %	0.8 %
Maine	-25.9	144.4	16.7	-15.0	-27.3	-21.4
Massachusetts	-2.6	50.0	-2.3	1.3	-33.3	1.0
New Hampshire	-6.3	—	-6.3	0.0	—	0.0
Rhode Island	3.3	0.0	1.9	-3.2	18.2	5.7
Vermont	0.0	-4.3	-3.1	0.0	0.0	0.0
MID-ATLANTIC						
Delaware	14.3	-50.0	0.0	-12.5	0.0	-11.1
Maryland	-10.0	-7.0	-7.2	-4.4	7.6	7.0
New Jersey	-6.9	-37.0	-15.4	11.1	-3.4	8.0
New York	0.6	—	0.6	-8.7	—	-8.7
Pennsylvania	-2.3	1.4	0.2	-3.9	0.4	-1.0
GREAT LAKES						
Illinois	—	—	—	—	—	—
Indiana	—	—	—	—	—	—
Michigan	0.0	7.7	0.9	4.0	21.4	6.2
Ohio	-80.0	—	-80.0	-100.0	—	-100.0
Wisconsin	-8.6	0.0	-8.5	-11.3	200.0	-7.4
PLAINS						
Iowa	0.0	—	0.0	10.0	—	10.0
Kansas	—	—	—	—	—	—
Minnesota	0.0	—	0.0	2.3	—	2.3
Missouri	0.0	—	0.0	-1.6	—	-1.6
Nebraska	12.5	-25.0	0.0	-11.1	-66.7	-25.0
North Dakota	—	—	—	—	—	—
South Dakota	—	—	—	—	—	—
SOUTHEAST						
Alabama	—	—	—	—	—	—
Arkansas	-9.8	1.3	-3.2	5.4	-1.2	1.3
Florida	-10.0	-88.9	-71.7	33.3	650.0	223.1
Georgia	—	—	—	—	—	—
Kentucky	—	—	—	—	—	—
Louisiana	—	—	—	—	—	—
Mississippi	—	—	—	—	—	—
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0
South Carolina	-6.3	-12.8	-10.9	40.0	-5.9	8.2
Tennessee	—	—	—	—	—	—
Virginia	—	0.0	0.0	—	12.7	12.7
West Virginia	-60.0	—	-60.0	0.0	—	0.0
SOUTHWEST						
Arizona	—	—	—	—	—	—
New Mexico	0.0	—	0.0	0.0	—	0.0
Oklahoma	-18.8	-37.7	-29.9	0.0	0.0	0.0
Texas	—	—	—	—	—	—
ROCKY MOUNTAIN						
Colorado	—	-1.8	-1.8	—	0.5	0.5
Idaho	0.0	—	0.0	0.0	—	0.0
Montana	—	—	—	—	—	—
Utah	0.0	—	0.0	0.0	—	0.0
Wyoming	—	—	—	—	—	—
FAR WEST						
Alaska	0.0	-100.0	-1.1	5.5	—	7.7
California	2.1	4.5	3.0	3.7	10.8	6.2
Hawaii	3.8	—	3.8	0.0	—	0.0
Nevada	—	—	—	—	—	—
Oregon	—	0.0	60.0	66.7	0.0	25.0
Washington	0.0	—	0.0	2.5	—	2.5
ALL STATES	0.0 %	-1.9 %	-0.8 %	0.7 %	6.1 %	3.1 %

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

Public Assistance Notes

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

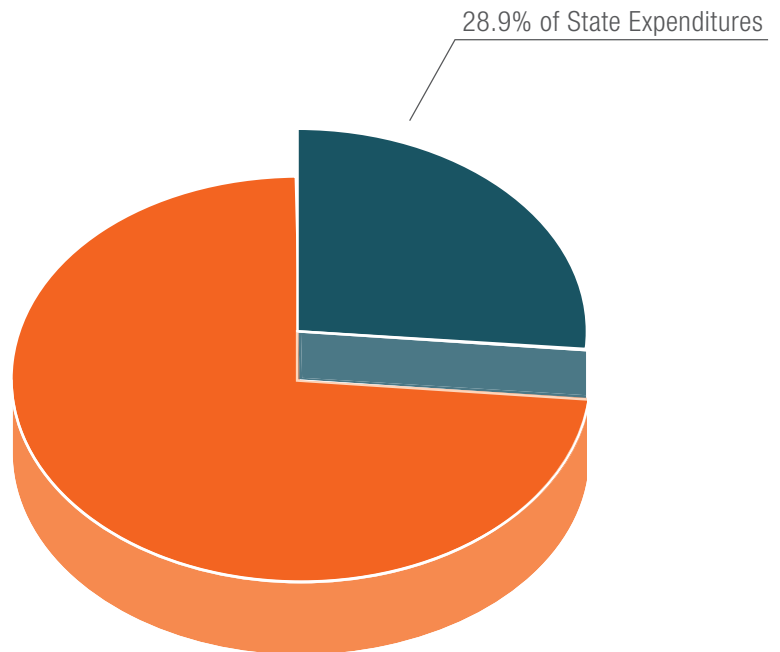
New York: The increase in fiscal 2019 federal TANF spending is due to payment timing. Several programs within TANF that underspent in fiscal years 2017 and 2018 disbursed in fiscal 2019 causing the significant year over year change.

4

CHAPTER



MEDICAID EXPENDITURES



Medicaid Expenditures

Medicaid, a means-tested entitlement program financed by the states and the federal government, provides comprehensive and long-term medical care for more than 75 million low-income individuals. Total Medicaid benefits spending for fiscal 2019, which excludes administrative costs, was \$613.1 billion, with general fund spending of \$170.4 billion, other state fund spending of \$64.1 billion, and federal fund spending of \$378.6 billion. Total Medicaid spending increased by 4.8 percent in fiscal 2019, with state funds increasing by 3.9 percent, and federal funds increasing by 5.3 percent. On a median basis, total Medicaid spending increased by 4.1 percent with state funds increasing by 2.8 percent and federal funds increasing by 4.6 percent in fiscal 2019.

Medicaid spending of \$585.3 billion for fiscal 2018 reflected an increase of \$25.3 billion over the \$560.0 billion spent in fiscal 2017, a 4.5 percent increase. Spending from state funds increased by 5.3 percent and federal fund spending grew by 4.0 percent. On a median basis, total spending in fiscal 2018 increased by 3.0 percent with a 3.8 percent increase for state funds and a 3.4 percent increase for federal funds. States that expanded Medicaid under the *Affordable Care Act* (ACA) are contributing 5.5 percent in fiscal 2018 and 6.5 percent in fiscal 2019 as the state share.

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, often due in part to timing and reporting issues, can substantially influence average Medicaid spending growth rates.

Medicaid spending accounted for 28.9 percent of total state spending in fiscal 2019, the single largest component of total state expenditures, and 19.7 percent of total general fund expenditures. This represents a slight decrease as a percentage of expenditures from fiscal 2018 when Medicaid was 29.7 percent of total state spending and 20.2 percent of general fund expenditures. Over the past six years, Medicaid spending as a percent of total general fund expenditures has stabilized at about 20 percent, even when the states' share of Medicaid expansion has risen from 0 percent in fiscal 2014 to 6.5 percent in fiscal 2019. Medicaid benefits accounted for 58.2 percent of federal fund spending by states in fiscal 2019, compared to 43 percent in fiscal 2008. While Medicaid is the largest area of total state spending, elementary and secondary education remains the largest category of state general fund spending. Federal funds comprised 61.8 percent of total Medicaid spending, general funds 27.8 percent, and other state funds 10.5 percent, in fiscal 2019.

Total state funds include both state general funds and other state funds. In addition to the general fund, states use a combination of revenue sources including insurance premium taxes, cigarette taxes, pharmaceutical rebates, intergovernmental transfers, provider assessments, and local funds to provide the state match. In just a few states, other state funds make up a larger portion than the general fund.

NASBO's Spring 2019 *Fiscal Survey of States* collected additional detail from states about Medicaid spending trends and issues. In that survey, about one-third of the states reported having Medicaid expenditures from non-federal funding 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 in this report. These funds include certified public expenditures and other local funds used for services provided in schools or in county hospitals and are counted in the state share to draw down federal Medicaid funds. For fiscal 2018, the estimated amount of the non-federal share that did not flow through state budgets totaled roughly \$19.2 billion.

Also included in Medicaid spending are Medicare Part D "clawback" payments, statutorily known as the phased down state contribution. Beginning in January 2006, prescription drug costs for individuals eligible for both Medicare and Medicaid were no longer part of the Medicaid program. Instead these costs are included in Medicare Part D. States finance these benefits by providing a payment to the federal Medicare trust fund—commonly known as "clawback" payments. As shown in Appendix Table A-3, these "clawback" payments totaled \$10.8 billion in fiscal 2017, \$11.3 billion in fiscal 2018, and are estimated at \$11.9 billion for fiscal 2019.

Medicaid Expansion Under the Affordable Care Act. After receiving 100 percent match for those newly eligible under the ACA in calendar years 2014 through 2016, beginning January 1, 2017, states that expanded Medicaid under the ACA began paying 5 percent of the costs for the newly eligible individuals, with that amount increasing to 6 percent on January 1, 2018, 7 percent on January 1, 2019, and 10 percent on January 1, 2020 and thereafter. As of November, 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 or later.

According to NASBO's Spring 2019 *Fiscal Survey of States*, in fiscal 2018 states reported total spending for Medicaid expansion at \$86.4 billion, including \$11.9 billion in state funds and \$74.6 billion in federal funds. In fiscal 2019, states estimated

spending \$91.6 billion in all funds, \$11.7 billion in state funds, and \$79.9 billion in federal funds for Medicaid expansion.

Medicaid Enrollment. Medicaid enrollment declined by 0.6 percent in fiscal 2018 and declined by 1.7 percent in fiscal 2019 with projections for fiscal 2020 expected to be slightly positive at 0.8 percent, according to the Kaiser Family Foundation’s annual Medicaid budget survey. States largely attribute Medicaid enrollment declines to the improved economy though some states are also seeing process and systems changes including changes to renewal processes as also contributing to some enrollment declines.

Medicaid Program Changes. The number of states reporting benefit expansions continues to significantly outpace the number of states reporting benefit restrictions, according to the Kaiser Family Foundation’s annual Medicaid budget survey. The most common benefit enhancements were for mental health and substance use disorder, dental services, diabetes prevention and care and pregnancy and postpartum benefits. Twenty-four states in fiscal 2019 reported newly implementing and expanding initiatives to contain prescription drug costs. Workforce issues in long-term care continue to be a challenge with states addressing ways to recruit and retain direct care workers. About half of the states reported raising wages for direct care workers in fiscal 2019 and 2020. Several states implemented, adopted, or continued to debate the Medicaid expansion under the ACA and a number of states also continued to pursue work requirements. Other key areas of focus highlighted in the report include Medicaid initiatives to address social determinants of health and to address the opioid epidemic.

Health Care Spending Forecasts. Medicaid spending, similar to overall health care spending, has historically increased faster than the economy as a whole. 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.

Fund Shares

Figure 14 provides fund shares for fiscal 2019.

Regional Expenditures

Table 27 shows percentage changes in expenditures for Medicaid for fiscal 2017–2018 and 2018–2019 by region. The Plains region reported the slowest growth for fiscal 2019 with the Rocky Mountain region reporting the largest increase.

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

FIGURE 14
STATE EXPENDITURES FOR MEDICAID BY FUND SOURCE,
ESTIMATED FISCAL 2019

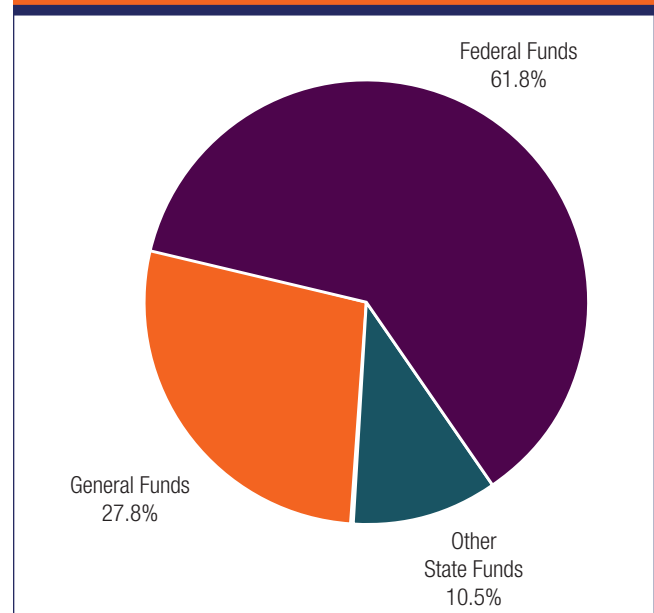


TABLE 27
REGIONAL PERCENTAGE CHANGE IN STATE MEDICAID EXPENDITURES, FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	9.4 %	4.1 %	6.7 %	2.8 %	1.9 %	2.3 %
Mid-Atlantic	6.1	7.1	6.7	2.3	4.8	3.8
Great Lakes	6.3	12.8	9.8	1.8	1.8	1.8
Plains	8.9	9.4	9.1	1.0	1.7	1.4
Southeast	0.1	2.7	1.8	5.4	6.5	6.1
Southwest	-0.7	4.5	2.7	1.6	9.4	6.8
Rocky Mountain	10.4	8.9	9.4	7.2	8.0	7.7
Far West	8.3	-4.2	-0.1	8.4	5.8	6.8
ALL STATES	5.3 %	4.0 %	4.5 %	3.9 %	5.3 %	4.8 %

TABLE 28
MEDICAID EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017				Actual Fiscal 2018				Estimated Fiscal 2019			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
NEW ENGLAND												
Connecticut*	\$3,783	\$3,617	\$0	\$7,400	\$4,519	\$3,561	\$0	\$8,080	\$4,367	\$3,733	\$0	\$8,100
Maine*	751	1,638	266	2,655	763	1,749	312	2,824	806	1,863	306	2,975
Massachusetts*	6,967	7,447	1,057	15,471	6,988	8,054	1,647	16,689	7,839	8,005	1,324	17,168
New Hampshire	628	1,300	242	2,170	667	1,267	244	2,178	655	1,256	281	2,192
Rhode Island	1,112	1,532	11	2,655	1,118	1,583	11	2,712	1,136	1,627	9	2,772
Vermont*	318	919	362	1,599	307	914	381	1,602	595	968	110	1,673
MID-ATLANTIC												
Delaware	740	1,251	64	2,055	750	1,462	62	2,274	711	1,423	47	2,181
Maryland	3,492	6,795	1,015	11,302	3,638	6,888	975	11,501	3,791	7,052	995	11,838
New Jersey	4,098	9,257	1,160	14,515	4,205	9,351	1,239	14,795	4,398	9,692	1,255	15,345
New York*	12,453	33,672	7,799	53,924	13,708	36,787	7,836	58,331	15,597	39,094	5,683	60,374
Pennsylvania	8,501	16,686	3,177	28,364	9,297	17,949	3,388	30,634	9,146	18,636	4,512	32,294
GREAT LAKES												
Illinois	2,282	9,934	3,728	15,944	5,256	13,044	4,327	22,627	4,493	12,469	3,990	20,952
Indiana	2,097	8,701	762	11,560	2,229	8,088	953	11,270	2,536	8,717	1,229	12,482
Michigan	2,718	12,126	2,116	16,960	2,710	12,147	2,393	17,250	2,716	12,640	2,703	18,059
Ohio*	17,437	5,943	2,284	25,664	14,483	8,621	3,357	26,461	15,053	8,635	3,284	26,972
Wisconsin	2,773	5,165	1,573	9,511	3,053	5,347	1,402	9,802	3,139	5,653	1,759	10,551
PLAINS												
Iowa	1,320	2,641	815	4,776	1,300	3,137	936	5,373	1,505	3,252	778	5,535
Kansas	1,187	1,829	256	3,272	1,215	1,850	307	3,372	1,348	2,114	298	3,760
Minnesota	4,350	6,381	306	11,037	4,977	7,226	471	12,674	4,922	7,034	496	12,452
Missouri	2,109	5,175	2,414	9,698	2,173	5,371	2,617	10,161	2,153	5,499	2,616	10,268
Nebraska	982	1,052	37	2,071	998	1,116	36	2,150	1,034	1,149	35	2,218
North Dakota	417	689	6	1,112	460	754	6	1,220	467	726	6	1,199
South Dakota	373	500	4	877	369	522	4	895	364	549	4	917
SOUTHEAST												
Alabama*	732	4,534	1,224	6,490	665	4,615	1,300	6,580	756	5,024	1,280	7,060
Arkansas	1,057	5,509	600	7,166	1,088	5,481	534	7,103	1,250	5,619	552	7,421
Florida	6,279	14,748	4,256	25,283	6,059	14,672	4,674	25,405	6,833	16,460	5,016	28,309
Georgia	2,673	7,009	573	10,255	2,717	7,450	662	10,829	2,974	7,055	625	10,654
Kentucky	1,708	7,695	491	9,894	1,881	7,947	501	10,329	1,825	7,849	507	10,181
Louisiana	1,821	7,226	1,211	10,258	1,835	8,053	1,253	11,141	1,843	8,690	1,032	11,565
Mississippi	678	3,820	657	5,155	705	3,823	553	5,081	659	4,223	521	5,403
North Carolina	3,515	9,022	1,634	14,171	3,654	9,265	1,029	13,948	3,759	9,484	1,044	14,287
South Carolina	1,103	4,615	838	6,556	1,155	4,664	785	6,604	1,182	4,751	837	6,770
Tennessee*	3,533	6,701	840	11,074	3,576	6,979	698	11,253	3,826	7,587	742	12,155
Virginia	4,768	4,610	3	9,381	5,027	4,831	3	9,861	5,254	5,840	207	11,301
West Virginia	525	3,114	438	4,077	533	2,968	326	3,827	526	3,415	404	4,345
SOUTHWEST												
Arizona	1,640	9,212	1,261	12,113	1,690	9,485	1,249	12,424	1,717	10,451	1,266	13,434
New Mexico	910	4,430	268	5,608	909	4,429	275	5,613	923	4,433	264	5,620
Oklahoma	664	2,983	1,680	5,327	884	2,992	1,656	5,532	974	3,320	1,498	5,792
Texas*	12,452	20,112	301	32,865	12,106	21,484	266	33,856	12,413	23,804	276	36,493
ROCKY MOUNTAIN												
Colorado*	2,518	4,817	1,020	8,355	2,782	5,378	1,247	9,407	2,940	5,574	1,437	9,951
Idaho	471	1,245	250	1,966	502	1,343	302	2,147	580	1,495	210	2,285
Montana	309	1,340	109	1,758	315	1,420	99	1,834	309	1,395	101	1,805
Utah	435	1,735	493	2,663	479	1,819	494	2,792	517	2,300	597	3,414
Wyoming	267	304	30	601	261	319	32	612	258	333	36	627
FAR WEST												
Alaska	633	1,386	4	2,023	643	1,411	4	2,058	647	1,636	8	2,291
California	21,860	56,309	7,157	85,326	22,974	53,373	8,801	85,148	23,243	56,670	11,506	91,419
Hawaii	765	1,422	33	2,220	626	1,448	66	2,140	739	1,522	66	2,327
Nevada	593	2,719	242	3,554	669	2,883	218	3,770	682	3,037	252	3,971
Oregon	710	7,065	1,463	9,238	1,315	6,503	989	8,807	946	6,902	1,522	9,370
Washington	3,709	7,804	500	12,013	3,918	7,836	555	12,309	4,028	7,968	572	12,568
ALL STATES	\$157,216	\$345,736	\$57,030	\$559,982	\$164,151	\$359,659	\$61,475	\$585,285	\$170,374	\$378,623	\$64,098	\$613,095
District of Columbia	739	2,159	81	2,979	732	2,169	85	2,986				

*See Medicaid Notes for explanation.

TABLE 29
MEDICAID EXPENDITURES AS A PERCENT OF
TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	22.9 %	24.4 %	23.8 %
Maine	32.2	33.6	33.8
Massachusetts	28.0	29.2	28.7
New Hampshire	36.6	35.5	35.2
Rhode Island	29.9	29.3	27.4
Vermont	28.8	28.2	28.7
MID-ATLANTIC			
Delaware	19.3	21.0	19.3
Maryland	26.1	26.3	25.6
New Jersey	24.5	24.3	23.7
New York	34.3	35.6	35.3
Pennsylvania	34.1	36.1	36.1
GREAT LAKES			
Illinois	23.4	31.1	29.0
Indiana	36.2	33.5	36.4
Michigan	31.2	30.5	31.6
Ohio	37.6	38.0	38.0
Wisconsin	20.2	20.3	21.0
PLAINS			
Iowa	21.1	23.0	23.5
Kansas	21.0	21.2	21.9
Minnesota	29.5	31.8	29.5
Missouri	38.0	39.0	38.9
Nebraska	17.5	17.7	18.3
North Dakota	16.4	20.7	18.2
South Dakota	20.7	20.1	20.4
SOUTHEAST			
Alabama	24.3	24.1	26.4
Arkansas	28.5	27.7	28.8
Florida	33.1	32.4	31.7
Georgia	20.7	21.1	19.9
Kentucky	29.5	30.3	29.2
Louisiana	36.1	35.6	33.2
Mississippi	25.3	25.9	24.5
North Carolina	29.4	28.0	27.7
South Carolina	26.0	26.1	26.4
Tennessee	33.7	32.9	32.9
Virginia	18.6	18.9	20.4
West Virginia	24.0	22.7	23.8
SOUTHWEST			
Arizona	34.1	33.1	35.3
New Mexico	28.5	27.4	27.4
Oklahoma	22.9	24.4	24.3
Texas	30.5	29.4	32.7
ROCKY MOUNTAIN			
Colorado	22.7	23.6	23.9
Idaho	26.2	27.0	24.6
Montana	25.3	26.4	25.2
Utah	18.7	18.9	20.3
Wyoming	13.6	13.8	13.3
FAR WEST			
Alaska	20.8	20.0	19.6
California	32.7	31.6	29.4
Hawaii	15.1	14.1	14.9
Nevada	25.5	26.4	26.9
Oregon	23.1	21.7	22.0
Washington	26.9	26.7	25.4
ALL STATES	28.9 %	29.2 %	28.9 %

TABLE 30
ANNUAL PERCENTAGE CHANGE IN MEDICAID EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	19.5 %	-1.5 %	9.2 %	-3.4 %	4.8 %	0.2 %
Maine	5.7	6.8	6.4	3.4	6.5	5.3
Massachusetts	7.6	8.2	7.9	6.1	-0.6	2.9
New Hampshire	4.7	-2.5	0.4	2.7	-0.9	0.6
Rhode Island	0.5	3.3	2.1	1.4	2.8	2.2
Vermont	1.2	-0.5	0.2	2.5	5.9	4.4
MID-ATLANTIC						
Delaware	1.0	16.9	10.7	-6.7	-2.7	-4.1
Maryland	2.4	1.4	1.8	3.8	2.4	2.9
New Jersey	3.5	1.0	1.9	3.8	3.6	3.7
New York	6.4	9.3	8.2	-1.2	6.3	3.5
Pennsylvania	8.6	7.6	8.0	7.7	3.8	5.4
GREAT LAKES						
Illinois	59.5	31.3	41.9	-11.5	-4.4	-7.4
Indiana	11.3	-7.0	-2.5	18.3	7.8	10.8
Michigan	5.6	0.2	1.7	6.2	4.1	4.7
Ohio	-9.5	45.1	3.1	2.8	0.2	1.9
Wisconsin	2.5	3.5	3.1	9.9	5.7	7.6
PLAINS						
Iowa	4.7	18.8	12.5	2.1	3.7	3.0
Kansas	5.5	1.1	3.1	8.1	14.3	11.5
Minnesota	17.0	13.2	14.8	-0.6	-2.7	-1.8
Missouri	5.9	3.8	4.8	-0.4	2.4	1.1
Nebraska	1.5	6.1	3.8	3.4	3.0	3.2
North Dakota	10.2	9.4	9.7	1.5	-3.7	-1.7
South Dakota	-1.1	4.4	2.1	-1.3	5.2	2.5
SOUTHEAST						
Alabama	0.5	1.8	1.4	3.6	8.9	7.3
Arkansas	-2.1	-0.5	-0.9	11.1	2.5	4.5
Florida	1.9	-0.5	0.5	10.4	12.2	11.4
Georgia	4.1	6.3	5.6	6.5	-5.3	-1.6
Kentucky	8.3	3.3	4.4	-2.1	-1.2	-1.4
Louisiana	1.8	11.4	8.6	-6.9	7.9	3.8
Mississippi	-5.8	0.1	-1.4	-6.2	10.5	6.3
North Carolina	-9.1	2.7	-1.6	2.6	2.4	2.4
South Carolina	-0.1	1.1	0.7	4.1	1.9	2.5
Tennessee	-2.3	4.1	1.6	6.9	8.7	8.0
Virginia	5.4	4.8	5.1	8.6	20.9	14.6
West Virginia	-10.8	-4.7	-6.1	8.3	15.1	13.5
SOUTHWEST						
Arizona	1.3	3.0	2.6	1.5	10.2	8.1
New Mexico	0.5	0.0	0.1	0.3	0.1	0.1
Oklahoma	8.4	0.3	3.8	-2.7	11.0	4.7
Texas	-3.0	6.8	3.0	2.6	10.8	7.8
ROCKY MOUNTAIN						
Colorado	13.9	11.6	12.6	8.6	3.6	5.8
Idaho	11.5	7.9	9.2	-1.7	11.3	6.4
Montana	-1.0	6.0	4.3	-1.0	-1.8	-1.6
Utah	4.8	4.8	4.8	14.5	26.4	22.3
Wyoming	-1.3	4.9	1.8	0.3	4.4	2.5
FAR WEST						
Alaska	1.6	1.8	1.7	1.2	15.9	11.3
California	9.5	-5.2	-0.2	9.4	6.2	7.4
Hawaii	-13.3	1.8	-3.6	16.3	5.1	8.7
Nevada	6.2	6.0	6.1	5.3	5.3	5.3
Oregon	6.0	-8.0	-4.7	7.1	6.1	6.4
Washington	6.3	0.4	2.5	2.8	1.7	2.1
ALL STATES	5.3 %	4.0 %	4.5 %	3.9 %	5.3 %	4.8 %
MEDIAN	3.8	3.4	3.0	2.8	4.6	4.1

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

Medicaid Notes

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

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

Alabama: Other State Funds includes Medicaid provider taxes in the amounts of: \$377M for FY17; \$374M for FY18; and \$397M for Estimated FY19.

Connecticut: 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.

Colorado: CHIP expenditures are excluded from the Medicaid category and added to the All Other category to adhere more closely to the survey directions. In previous surveys, CHIP expenditures were included in Medicaid.

Maine: In last year’s State Expenditure Report, Medicaid, Other State Funds, 2017 Actual was reported as \$274 and should have been \$266; 2018 Actual was reported as \$274 and should have been \$312.

Massachusetts: Figures for fiscal 2017 and fiscal 2018 are re-stated to better differentiate federal spending on Medicaid.

New York: Medicaid spending includes all agencies with reported Medicaid spending consistent with State’s Financial Plan. Medicaid spending reported in prior surveys excluded spending from agencies other than the Department of Health.

Ohio: Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio’s general fund. This amounts to \$9,757.9 million in fiscal 2019. This will tend to make Ohio’s GRF expenditures look higher and conversely make Ohio’s federal expenditures look lower relative to most other states that don’t follow this practice.

Tennessee: Premium revenue: fiscal 2017 totals \$323 million, fiscal 2018 totals \$323 million, and fiscal 2019 totals \$323 million. Certified Public Expenditures – Local fund from Hospitals: fiscal 2017 totals \$200 million, fiscal 2018 totals \$204 million, and fiscal 2019 totals \$150 million. Nursing Home Tax: fiscal 2017 totals \$121 million, fiscal 2018 totals \$121 million, and fiscal 2019 totals \$130 million. ICF/MR 6 percent Gross Receipts Tax: fiscal 2017 totals \$11 million, fiscal 2018 totals \$11 million, and fiscal 2019 totals \$11 million. Intergovernmental Transfers: fiscal 2017 totals \$100 million, fiscal 2018 totals \$100 million, and fiscal 2019 totals \$100 million.

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

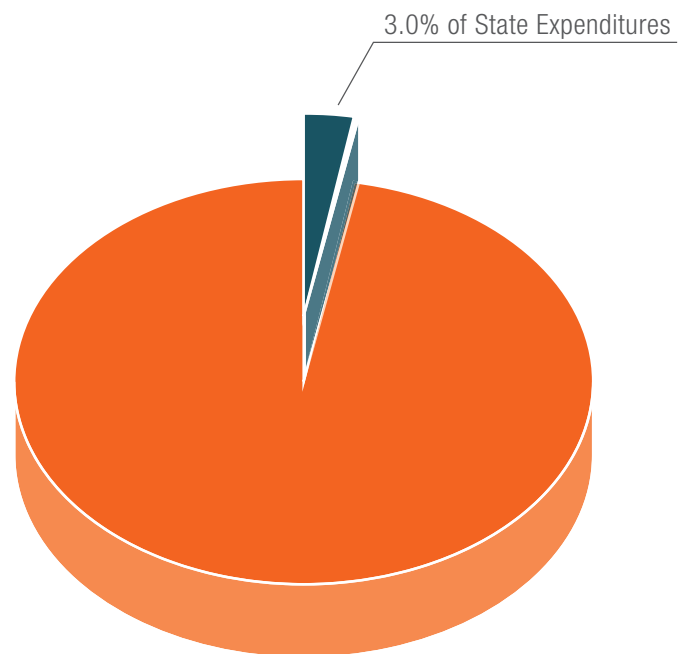
Vermont: The breakdown of local funds, etc. included in Other State Funds is as follows for fiscal 2017 (in millions): provider tax \$159; employee assessment \$19; local match provided by schools \$23; tobacco litigation settlement funds \$30; other \$131. The breakdown is as follows for fiscal 2018: provider tax \$164; employee assessment \$20; local match provided by schools \$27; tobacco litigation settlement funds \$21; other \$149. The breakdown is as follows for estimated fiscal 2019: provider tax N/A; employee assessment N/A; local match provided by schools \$28; tobacco litigation settlement funds \$20; other \$61.

5

CHAPTER



CORRECTIONS EXPENDITURES



Corrections Expenditures

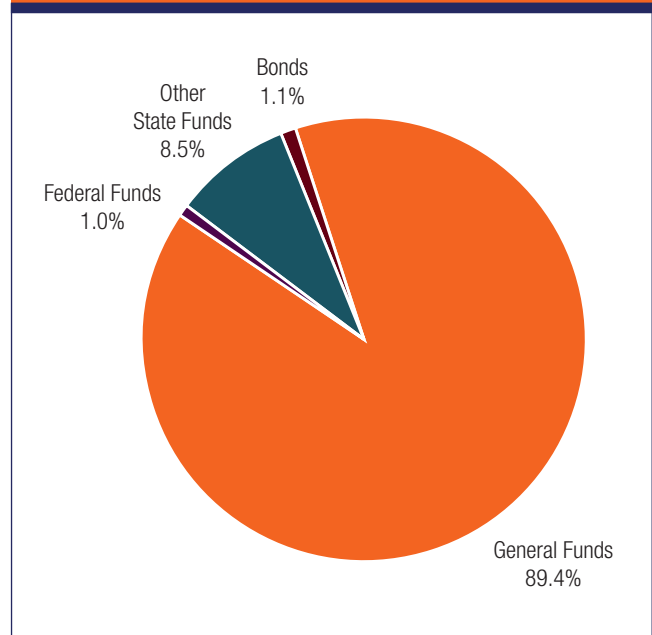
State spending on corrections reflects the costs to build and operate prison systems and may include spending on juvenile justice programs and alternatives to incarceration such as probation and parole. Total state spending on corrections in fiscal 2019 increased 4.1 percent over fiscal 2018, to \$63.5 billion, with a median growth rate of 3.4 percent. State general funds comprised over 89 percent of corrections spending in fiscal 2019; no other major area of state government spending is so heavily reliant upon the state general fund. General fund spending for corrections increased 3.8 percent in estimated 2019. In fiscal 2018, total state spending for corrections totaled \$60.9 billion, a 2.7 percent increase, with a median growth rate of 1.5 percent. General fund spending grew 3.2 percent increase in fiscal 2018.

The trendline for state prisoner populations continues to slowly decline. States held 14,861 fewer prisoners at year-end 2017 than in 2016, a decline of 1.2 percent, and more than 92,000 less than in 2009, a decrease of 6.7 percent (Bureau of Justice Statistics). Twenty-eight states had a decrease in their prison population in 2017. Even as the number of prisoners continues a gradual decrease, state spending on corrections has seen annual growth.

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

While the number of prisoners is declining, states will not capture significant savings until the population is reduced enough to close a prison unit or facility, which decreases the number of staff needed. The primary cost drivers in corrections are personnel costs, care and support for inmates including health care, contract costs for community-based programs, and maintenance of a large physical plant. Related to these cost drivers, the mix of prisoners is also changing, with an increasing number of inmates aged 55 or older. In 2011, the percentage of sentenced prisoners under the jurisdiction of states and the federal government in this age group was 7.9 percent; by

FIGURE 15
STATE EXPENDITURES FOR CORRECTIONS BY FUND SOURCE, ESTIMATED FISCAL 2019



2017, that number had risen to 11.9 percent. Having a larger percentage of older inmates often translates to increased health care costs as well as necessary facility changes to accommodate an aging population.

In fiscal 2019, corrections spending represented 3.0 percent of total state spending and 6.6 percent of general fund spending. Over the last 20 years, corrections share of total general fund spending has not changed much, peaking at 7.4 percent in fiscal 2010. State funds (general funds and other state funds combined, but excluding bonds) accounted for 97.9 percent of total state corrections spending in fiscal 2019. Federal funds accounted for 1.0 percent and bonds accounted for 1.1 percent.

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

Regional Expenditures

Table 31 shows changes in corrections expenditures by region between fiscal 2017 and fiscal 2018 and between fiscal 2018 and estimated fiscal 2019. In fiscal 2018, all regions except for the Southwest and Mid-Atlantic experienced an increase in total corrections spending, while in fiscal 2019 it is estimated that the Great Lakes region experienced a decline.

TABLE 31
REGIONAL PERCENTAGE CHANGE IN STATE CORRECTIONS EXPENDITURES,
FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	3.1 %	-5.9 %	1.9 %	4.5 %	31.3 %	5.9 %
Mid-Atlantic	-6.7	6.0	-6.9	4.4	-19.1	2.9
Great Lakes	10.0	7.8	10.1	-2.4	16.4	-1.9
Plains	0.6	-5.0	0.8	5.6	10.5	5.9
Southeast	4.0	14.2	4.3	4.6	19.2	4.1
Southwest	-2.1	3.6	-2.1	0.6	3.4	0.6
Rocky Mountain	3.8	42.9	4.1	10.4	55.0	10.9
Far West	6.6	-25.4	5.6	7.0	49.5	7.4
ALL STATES	3.0 %	0.8 %	2.7 %	4.2 %	18.6 %	4.1 %

Corrections – Expenditures Exclusions

Some states exclude certain items when reporting corrections expenditures. Twenty-one states wholly or partially exclude juvenile delinquency counseling from their corrections figures and 17 states wholly or partially exclude spending on juvenile

institutions. Some states wholly or partially exclude spending, or do not provide state spending, on drug abuse rehabilitation centers (18), institutions for the criminally insane (36), and aid to local governments for jails (20). For details, see Table 36.

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$608	\$3	\$25	\$21	\$657	\$604	\$3	\$23	\$7	\$637	\$632	\$4	\$24	\$61	\$721
Maine	182	2	3	0	187	179	1	3	0	183	188	1	2	0	191
Massachusetts	1,362	27	6	55	1,450	1,428	26	5	57	1,516	1,493	34	5	48	1,580
New Hampshire	109	0	5	28	142	115	0	5	14	134	125	0	6	2	133
Rhode Island	212	1	4	0	217	232	1	4	0	237	236	2	10	0	248
Vermont	148	1	7	0	156	147	1	8	0	156	150	1	7	0	158
MID-ATLANTIC															
Delaware	305	0	5	4	314	320	0	5	6	331	352	1	5	4	362
Maryland	1,443	33	79	26	1,581	1,394	34	73	9	1,510	1,424	34	84	13	1,555
New Jersey	1,535	11	48	0	1,594	1,140	10	40	0	1,190	1,172	9	38	0	1,219
New York*	2,646	23	33	271	2,973	2,635	28	9	348	3,020	2,605	4	120	251	2,980
Pennsylvania	2,677	17	119	145	2,958	2,544	17	131	29	2,721	2,713	24	145	32	2,914
GREAT LAKES															
Illinois	1,333	0	53	12	1,398	1,996	0	63	22	2,081	1,623	0	48	23	1,694
Indiana	744	3	59	0	806	755	3	53	0	811	778	3	55	0	836
Michigan	2,114	40	48	0	2,202	2,100	41	52	1	2,194	2,153	49	56	3	2,261
Ohio*	1,880	7	61	77	2,025	1,940	11	60	83	2,094	2,007	10	70	110	2,197
Wisconsin	1,086	1	109	0	1,196	1,122	0	98	0	1,220	1,132	2	116	0	1,250
PLAINS															
Iowa	379	1	65	0	445	374	0	56	0	430	381	1	60	0	442
Kansas	347	5	20	5	377	349	3	19	5	376	377	4	22	5	408
Minnesota	567	3	96	4	670	571	4	108	4	687	600	6	117	18	741
Missouri	654	2	30	2	688	664	2	28	9	703	660	2	62	2	726
Nebraska	319	1	28	0	348	318	1	33	0	352	327	1	56	0	384
North Dakota	102	4	12	0	118	101	5	12	0	118	107	4	9	0	120
South Dakota	98	4	4	0	106	100	4	3	0	107	109	3	3	0	115
SOUTHEAST															
Alabama	497	26	92	0	615	533	25	101	0	659	610	26	115	0	751
Arkansas	434	0	80	0	514	456	0	62	0	518	462	0	63	0	525
Florida	2,622	59	115	0	2,796	2,791	61	104	0	2,956	2,836	106	157	0	3,099
Georgia	1,678	12	86	67	1,843	1,720	12	75	89	1,896	1,735	8	14	10	1,767
Kentucky	626	11	45	0	682	640	20	59	0	719	703	10	35	0	748
Louisiana	738	1	87	1	827	765	1	97	5	868	815	3	113	3	934
Mississippi	315	0	22	0	337	310	0	25	0	335	307	0	35	0	342
North Carolina	1,469	2	30	2	1,503	1,529	1	28	3	1,561	1,576	3	25	3	1,607
South Carolina	544	6	82	0	632	580	6	85	0	671	605	5	83	0	693
Tennessee	904	1	36	0	941	953	0	58	0	1,011	1,015	1	20	0	1,036
Virginia	1,295	37	72	24	1,428	1,345	51	66	26	1,488	1,370	49	70	27	1,516
West Virginia*	191	0	11	0	202	157	0	9	0	166	252	0	111	0	363
SOUTHWEST															
Arizona	1,071	9	66	0	1,146	1,087	8	68	0	1,163	1,122	9	72	0	1,203
New Mexico	294	0	33	9	336	298	0	34	6	338	306	0	34	6	346
Oklahoma	425	1	150	0	576	487	1	95	0	583	520	1	85	0	606
Texas	3,654	18	130	1	3,803	3,505	20	126	0	3,651	3,487	20	109	0	3,616
ROCKY MOUNTAIN															
Colorado*	764	6	91	0	861	788	5	115	0	908	836	5	101	0	942
Idaho	252	3	42	0	297	265	3	40	0	308	285	5	51	0	341
Montana	200	1	13	0	214	199	10	16	0	225	200	15	16	0	231
Utah	384	4	8	0	396	394	2	9	0	405	529	6	18	0	553
Wyoming	139	0	7	0	146	139	0	7	0	146	134	0	8	0	142
FAR WEST															
Alaska	323	8	36	0	367	340	8	7	0	355	379	10	8	0	397
California	10,772	93	2,635	0	13,500	11,596	62	2,709	0	14,367	12,553	100	2,851	0	15,504
Hawaii	255	1	15	0	271	259	1	13	0	273	278	1	14	0	293
Nevada	266	2	36	13	317	290	2	43	20	355	304	3	21	24	352
Oregon	956	15	23	38	1,032	1,024	15	21	11	1,071	1,038	19	24	22	1,103
Washington	1,033	3	6	91	1,133	1,071	3	55	6	1,135	1,125	3	52	27	1,207
TOTAL	\$52,951	\$508	\$4,968	\$896	\$59,323	\$54,649	\$512	\$5,018	\$760	\$60,939	\$56,726	\$607	\$5,425	\$694	\$63,452
District of Columbia	225	0	21	2	248	226	0	25	3	254					

*See Corrections Notes for explanation.

TABLE 33
CORRECTIONS EXPENDITURES AS A PERCENT OF
TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	2.0 %	1.9 %	2.1 %
Maine	2.3	2.2	2.2
Massachusetts	2.6	2.7	2.6
New Hampshire	2.4	2.2	2.1
Rhode Island	2.4	2.6	2.5
Vermont	2.8	2.7	2.7
MID-ATLANTIC			
Delaware	2.9	3.1	3.2
Maryland	3.6	3.4	3.4
New Jersey	2.7	2.0	1.9
New York	1.9	1.8	1.7
Pennsylvania	3.6	3.2	3.3
GREAT LAKES			
Illinois	2.1	2.9	2.3
Indiana	2.5	2.4	2.4
Michigan	4.0	3.9	4.0
Ohio	3.0	3.0	3.1
Wisconsin	2.5	2.5	2.5
PLAINS			
Iowa	2.0	1.8	1.9
Kansas	2.4	2.4	2.4
Minnesota	1.8	1.7	1.8
Missouri	2.7	2.7	2.7
Nebraska	2.9	2.9	3.2
North Dakota	1.7	2.0	1.8
South Dakota	2.5	2.4	2.6
SOUTHEAST			
Alabama	2.3	2.4	2.8
Arkansas	2.0	2.0	2.0
Florida	3.7	3.8	3.5
Georgia	3.7	3.7	3.3
Kentucky	2.0	2.1	2.1
Louisiana	2.9	2.8	2.7
Mississippi	1.7	1.7	1.6
North Carolina	3.1	3.1	3.1
South Carolina	2.5	2.7	2.7
Tennessee	2.9	3.0	2.8
Virginia	2.8	2.9	2.7
West Virginia	1.2	1.0	2.0
SOUTHWEST			
Arizona	3.2	3.1	3.2
New Mexico	1.7	1.7	1.7
Oklahoma	2.5	2.6	2.5
Texas	3.5	3.2	3.2
ROCKY MOUNTAIN			
Colorado	2.3	2.3	2.3
Idaho	4.0	3.9	3.7
Montana	3.1	3.2	3.2
Utah	2.8	2.7	3.3
Wyoming	3.3	3.3	3.0
FAR WEST			
Alaska	3.8	3.4	3.4
California	5.2	5.3	5.0
Hawaii	1.8	1.8	1.9
Nevada	2.3	2.5	2.4
Oregon	2.6	2.6	2.6
Washington	2.5	2.5	2.4
ALL STATES	3.1 %	3.0 %	3.0 %

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

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	3.4 %	3.2 %	3.3 %
Maine	5.4	5.2	5.1
Massachusetts	5.2	5.3	5.1
New Hampshire	7.2	7.6	8.3
Rhode Island	5.8	6.1	6.0
Vermont	9.9	9.3	9.1
MID-ATLANTIC			
Delaware	7.4	7.8	8.0
Maryland	8.4	8.1	8.0
New Jersey	4.5	3.2	3.1
New York	3.9	3.8	3.6
Pennsylvania	8.1	7.3	7.6
GREAT LAKES			
Illinois	4.5	5.6	4.5
Indiana	4.7	4.8	4.8
Michigan	21.4	20.7	20.4
Ohio	5.4	6.1	6.1
Wisconsin	6.8	6.8	6.6
PLAINS			
Iowa	5.2	5.2	5.0
Kansas	5.4	5.2	5.3
Minnesota	2.7	2.6	2.6
Missouri	7.1	7.2	6.9
Nebraska	7.4	7.3	7.5
North Dakota	3.9	4.8	5.0
South Dakota	6.3	6.3	6.7
SOUTHEAST			
Alabama	6.0	6.5	7.2
Arkansas	8.2	8.5	8.4
Florida	8.7	8.8	8.6
Georgia	7.5	7.3	6.8
Kentucky	5.7	5.7	6.1
Louisiana	8.1	8.0	8.2
Mississippi	5.6	5.6	5.5
North Carolina	6.6	6.7	6.7
South Carolina	7.0	7.2	7.3
Tennessee	6.4	6.4	6.5
Virginia	6.4	6.4	6.3
West Virginia	4.5	4.3	6.6
SOUTHWEST			
Arizona	11.1	11.1	10.8
New Mexico	4.8	4.9	4.8
Oklahoma	8.4	8.3	8.4
Texas	6.7	6.3	6.7
ROCKY MOUNTAIN			
Colorado	7.3	7.0	6.7
Idaho	7.7	7.6	7.7
Montana	8.6	8.9	8.7
Utah	6.0	5.8	7.1
Wyoming	10.0	10.0	8.9
FAR WEST			
Alaska	7.2	7.5	6.4
California	9.0	9.3	8.8
Hawaii	3.4	3.3	3.5
Nevada	6.7	7.2	6.9
Oregon	10.7	10.1	10.8
Washington	5.3	5.2	4.8
ALL STATES	6.7 %	6.7 %	6.6 %

TABLE 35
ANNUAL PERCENTAGE CHANGE IN CORRECTIONS EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	-0.9 %	0.0 %	-3.0 %	4.6 %	33.3 %	13.2 %
Maine	-1.6	-50.0	-2.1	4.4	0.0	4.4
Massachusetts	4.8	-3.7	4.6	4.5	30.8	4.2
New Hampshire	5.3	—	-5.6	9.2	—	-0.7
Rhode Island	9.3	0.0	9.2	4.2	100.0	4.6
Vermont	0.0	0.0	0.0	1.3	0.0	1.3
MID-ATLANTIC						
Delaware	4.8	—	5.4	9.8	—	9.4
Maryland	-3.6	3.0	-4.5	2.8	0.0	3.0
New Jersey	-25.5	-9.1	-25.3	2.5	-10.0	2.4
New York	-1.3	21.7	1.6	3.1	-85.7	-1.3
Pennsylvania	-4.3	0.0	-8.0	6.8	41.2	7.1
GREAT LAKES						
Illinois	48.6	—	48.9	-18.8	—	-18.6
Indiana	0.6	0.0	0.6	3.1	0.0	3.1
Michigan	-0.5	2.5	-0.4	2.6	19.5	3.1
Ohio	3.0	57.1	3.4	3.9	-9.1	4.9
Wisconsin	2.1	-100.0	2.0	2.3	—	2.5
PLAINS						
Iowa	-3.2	-100.0	-3.4	2.6	—	2.8
Kansas	0.3	-40.0	-0.3	8.4	33.3	8.5
Minnesota	2.4	33.3	2.5	5.6	50.0	7.9
Missouri	1.2	0.0	2.2	4.3	0.0	3.3
Nebraska	1.2	0.0	1.1	9.1	0.0	9.1
North Dakota	-0.9	25.0	0.0	2.7	-20.0	1.7
South Dakota	1.0	0.0	0.9	8.7	-25.0	7.5
SOUTHEAST						
Alabama	7.6	-3.8	7.2	14.4	4.0	14.0
Arkansas	0.8	—	0.8	1.4	—	1.4
Florida	5.8	3.4	5.7	3.4	73.8	4.8
Georgia	1.8	0.0	2.9	-2.6	-33.3	-6.8
Kentucky	4.2	81.8	5.4	5.6	-50.0	4.0
Louisiana	4.5	0.0	5.0	7.7	200.0	7.6
Mississippi	-0.6	—	-0.6	2.1	—	2.1
North Carolina	3.9	-50.0	3.9	2.8	200.0	2.9
South Carolina	6.2	0.0	6.2	3.5	-16.7	3.3
Tennessee	7.6	-100.0	7.4	2.4	—	2.5
Virginia	3.2	37.8	4.2	2.1	-3.9	1.9
West Virginia	-17.8	—	-17.8	118.7	—	118.7
SOUTHWEST						
Arizona	1.6	-11.1	1.5	3.4	12.5	3.4
New Mexico	1.5	—	0.6	2.4	—	2.4
Oklahoma	1.2	0.0	1.2	4.0	0.0	3.9
Texas	-4.0	11.1	-4.0	-1.0	0.0	-1.0
ROCKY MOUNTAIN						
Colorado	5.6	-16.7	5.5	3.8	0.0	3.7
Idaho	3.7	0.0	3.7	10.2	66.7	10.7
Montana	0.9	900.0	5.1	0.5	50.0	2.7
Utah	2.8	-50.0	2.3	35.7	200.0	36.5
Wyoming	0.0	—	0.0	-2.7	—	-2.7
FAR WEST						
Alaska	-3.3	0.0	-3.3	11.5	25.0	11.8
California	6.7	-33.3	6.4	7.7	61.3	7.9
Hawaii	0.7	0.0	0.7	7.4	0.0	7.3
Nevada	10.3	0.0	12.0	-2.4	50.0	-0.8
Oregon	6.7	0.0	3.8	1.6	26.7	3.0
Washington	8.4	0.0	0.2	4.5	0.0	6.3
ALL STATES	3.0 %	0.8 %	2.7 %	4.2 %	18.6 %	4.1 %
MEDIAN	1.6	0.0	1.5	3.6	0.0	3.4

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

TABLE 36

ITEMS EXCLUDED FROM CORRECTIONS EXPENDITURES

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

Excluded=X Partially Excluded=P Not Applicable=N/A
 *See Corrections Notes for explanation.

Corrections Notes

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

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

New York: Prior years surveys included spending from the Division of Criminal Justice Services (DCJS). Based upon the provided definition of Corrections expenditures, we have deter-

mined these costs should be excluded, as such, this year's survey no longer includes DCJS spending in the reported 2017, 2018 and 2019 totals for Corrections expenditures.

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

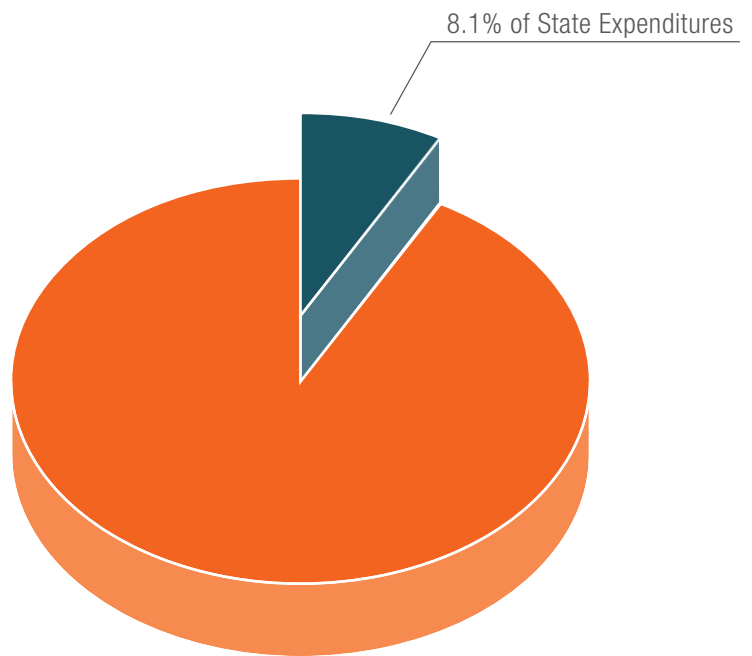
West Virginia: In fiscal 2019, West Virginia enacted a code change that combined the Division of Corrections, Regional Jail Authority, and Juvenile Services into one division. It is now the Division of Corrections and Rehabilitation.

6

CHAPTER



TRANSPORTATION EXPENDITURES



Transportation Expenditures

Transportation expenditures totaled \$171.9 billion in estimated fiscal 2019, 8.1 percent of total state spending and an increase of 8.9 percent over the previous year. State funds (general funds and other state funds combined, excluding bonds) for transportation increased 8.9 percent in fiscal 2019, while federal funds rose 6.9 percent. Fifteen states experienced growth of 10 percent or higher in total transportation spending in fiscal 2019. Median growth rates for fiscal 2019 were all funds (2.9 percent), state funds (4.2 percent), and federal funds (2.2 percent). In fiscal 2018, total state expenditures for transportation grew 1.8 percent. State funds increased 6.7 percent, while federal funds declined 2.1 percent. The median growth rates in fiscal 2018 were all funds (0.7 percent), state funds (1.3 percent), and federal funds (-0.3 percent).

State governments contributed 73.1 percent of transportation expenditures in fiscal 2019, while federal dollars accounted for 26.9 percent. Approximately 61.1 percent of fiscal 2019 transportation expenditures are funded from earmarked revenues placed in special transportation funds, captured in the “Other State Funds” category in this report. The largest earmarked revenue source is states’ motor fuel excise taxes. States also contribute to transportation spending through both bonds (accounting for 7.3 percent of total transportation expenditures) and general funds (4.8 percent).

Transportation Fund

This year’s State Expenditure Report asked states for the second time to detail transportation fund revenue sources, if their state has a transportation fund. Forty-seven states reported having a separate transportation fund. All of the 47 states deposit some or all of motor fuel tax receipts into their transportation fund, 43 include vehicle license and registration fees and 24 include vehicle sales and use taxes. Motor fuel taxes represented the largest revenue source for transportation funds at 39.8 percent, followed by license and registration fees (19.4 percent), vehicle sales and use taxes (7.6 percent), tolls (1.5 percent), and all other (31.7 percent). Table A-5 in the Appendix shows transportation fund revenue sources totaled \$95.9 billion in fiscal 2017, \$104.3 billion in fiscal 2018, and \$111.0 billion in estimated fiscal 2019.

State Transportation Financing Issues

In recent years states have been responding to the diminishing buying power of fuel tax revenues resulting from more fuel-effi-

cient vehicles. States are concerned that in the long term, the current structure of state and federal fuel tax revenue will not be able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation (22 states have indexed or variable-rate gas taxes), new vehicle fuel economy continues to increase, and the growth in vehicle miles traveled has leveled off. Since 2013, 33 states have taken actions to raise their fuel tax revenues. Many of the actions were the result of multi-year transportation plans and were combined with other revenue-raising actions. One of the more notable recent actions has been the institution of registration fees on electric and hybrid vehicles to ensure that all vehicles pay a share of transportation system costs, as 27 states now have fees on electric vehicles. Additionally, states continue to explore road usage charges, or mileage-based user fees, with a growing number conducting pilot programs. Finally, 32 states have constitutional restrictions that dedicate transportation funds for transportation purposes.

The combination of state actions to raise revenue and the very limited changes in federal transportation resources has caused the state share of transportation spending to rise from 67.1 percent in fiscal 2010 to 73.1 percent in fiscal 2019.

Federal Transportation Funding

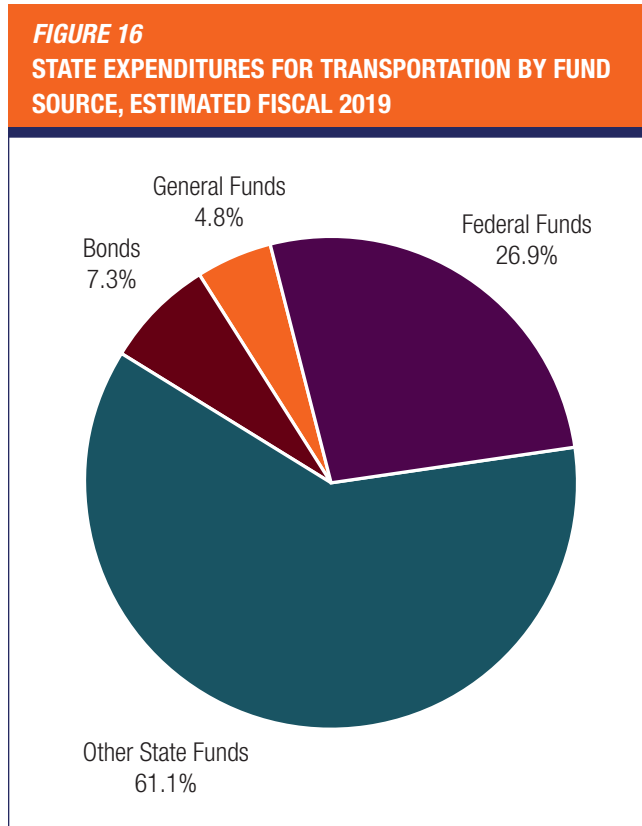
On December 4, 2015, President Obama signed into law the *Fixing America’s Surface Transportation (FAST) Act*. The FAST Act marked the first federal transportation reauthorization since 2012. The legislation (P.L. 114-94) reauthorizes surface transportation spending for five years (fiscal year 2016 through fiscal year 2020) at a cost of approximately \$305 billion. The bill includes funding for highway and transit programs, including Amtrak, and is funded by the federal gas tax, which remains at 18.4 cents per gallon, and \$70 billion in offsets from other parts of the federal government.

Key provisions in the bill include: establishing a National Surface Transportation and Innovative Finance Bureau to help states with project delivery; streamlining the environmental review and permitting process; increasing dedicated bus funding by 89 percent over the reauthorization period; establishing a pilot program for communities to expand transit through the use of public-private partnerships; increasing the percentage of the National Priority Safety Program states can spend on traditional safety programs; creating a new formula grant program, the National Highway Freight Program, and a new competitive grant program, the Nationally Significant Freight and Highway Projects Program; converting the Surface Transpor-

tation Program to a block grant program; increasing the amount of Surface Transportation Program funding that is distributed to local governments from 50 percent to 55 percent; and requiring certain railroads to provide information on the identity, quantity, and location of crude oil movements to emergency responders.

Fund Shares

Figure 16 below provides fund shares for estimated fiscal 2019.



Regional Expenditures

Table 37 shows percentage changes in transportation expenditures by region between fiscal 2017 and fiscal 2018 and between fiscal 2018 and estimated fiscal 2019. In fiscal 2019, all regions experienced growth in total spending on transportation, while in fiscal 2018 four regions experienced a decline.

Transportation—Expenditure Exclusions

Forty states wholly or partially exclude state police and highway patrols from the transportation expenditures contained within the report. Additionally, 39 states wholly or partially exclude port authority operations, 17 states exclude truck enforcement regulation programs, 23 states omit motor vehicle licensing, and 12 states exclude gasoline tax and fee collections. For details, see Table 41.

TABLE 37
REGIONAL PERCENTAGE CHANGE IN STATE TRANSPORTATION EXPENDITURES, FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	0.5 %	0.0 %	-3.0 %	1.5 %	-1.2 %	4.7 %
Mid-Atlantic	14.7	-6.0	3.8	-2.8	8.9	3.9
Great Lakes	1.6	4.5	-0.2	3.0	5.2	4.2
Plains	2.6	-11.2	-1.7	-1.5	24.8	4.6
Southeast	5.3	4.9	3.7	10.8	-3.3	5.8
Southwest	9.8	-9.3	-0.8	12.2	10.6	8.1
Rocky Mountain	-7.9	2.8	3.2	36.2	-3.1	15.0
Far West	7.3	-6.2	2.9	29.2	21.9	28.3
ALL STATES	6.7 %	-2.1 %	1.8 %	8.9 %	6.9 %	8.9 %

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$779	\$1,447	\$1,273	\$3,499	\$0	\$743	\$1,519	\$897	\$3,159	\$0	\$703	\$1,638	\$1,224	\$3,565
Maine*	0	224	475	92	791	0	233	451	69	753	0	203	411	124	738
Massachusetts*	140	650	2,307	1,286	4,383	167	634	2,188	1,273	4,262	127	639	2,164	1,248	4,178
New Hampshire	1	247	269	14	531	1	248	311	8	568	1	243	277	10	531
Rhode Island	0	240	176	36	452	0	242	212	125	579	0	325	301	183	809
Vermont	0	272	266	0	538	0	311	259	0	570	0	269	264	1	534
MID-ATLANTIC															
Delaware	5	217	567	129	918	5	347	584	3	939	4	292	686	12	994
Maryland	0	953	3,619	0	4,572	0	981	3,993	0	4,974	0	1,148	4,067	0	5,215
New Jersey	1,529	1,571	1,101	1,735	5,936	1,567	1,586	1,048	1,756	5,957	1,774	1,682	1,518	2,050	7,024
New York	107	2,095	6,748	1,559	10,509	118	1,688	6,899	1,340	10,045	607	1,706	5,136	2,403	9,852
Pennsylvania	962	2,109	5,800	1,243	10,114	2,920	1,924	6,313	196	11,353	2,261	2,279	6,740	203	11,483
GREAT LAKES															
Illinois	0	90	4,679	770	5,539	4	74	4,538	289	4,905	5	82	4,317	298	4,702
Indiana	571	931	776	0	2,278	47	1,009	1,244	0	2,300	48	1,031	1,324	0	2,403
Michigan	9	1,256	2,429	7	3,701	205	1,090	2,676	1	3,972	357	1,318	2,929	4	4,608
Ohio*	11	1,465	1,534	338	3,348	15	1,382	1,408	391	3,196	14	1,456	1,431	513	3,414
Wisconsin	107	752	1,909	0	2,768	120	1,139	1,963	0	3,222	126	1,051	2,033	0	3,210
PLAINS															
Iowa	0	676	1,340	0	2,016	0	575	1,554	0	2,129	0	565	1,228	0	1,793
Kansas	10	479	413	195	1,097	10	401	269	197	877	0	415	476	210	1,101
Minnesota	140	265	3,144	263	3,812	158	286	3,322	134	3,900	210	749	3,534	219	4,712
Missouri	20	89	1,916	0	2,025	12	79	1,961	0	2,052	18	78	1,935	0	2,031
Nebraska	0	340	552	0	892	0	329	661	0	990	0	345	501	0	846
North Dakota	46	303	620	0	969	18	255	406	0	679	7	318	320	0	645
South Dakota	1	332	263	0	596	1	280	309	0	590	1	282	322	0	605
SOUTHEAST															
Alabama	0	834	650	314	1,798	0	948	747	395	2,090	0	746	559	223	1,528
Arkansas	1	650	1,079	0	1,730	1	734	942	0	1,677	1	506	913	0	1,420
Florida	3	2,281	6,418	398	9,100	0	2,581	6,219	275	9,075	0	2,288	8,200	349	10,837
Georgia	1,635	1,438	454	115	3,642	1,644	1,477	387	110	3,618	1,999	1,600	98	112	3,809
Kentucky	13	900	1,502	0	2,415	13	802	1,533	0	2,348	10	898	1,602	0	2,510
Louisiana	3	745	621	129	1,498	14	741	603	93	1,451	6	801	570	60	1,437
Mississippi*	0	566	739	122	1,427	0	586	697	91	1,374	0	599	730	127	1,456
North Carolina	0	1,330	3,574	431	5,335	0	1,494	4,409	110	6,013	0	1,506	5,266	82	6,854
South Carolina	120	855	1,179	9	2,163	60	988	1,138	15	2,201	15	727	1,461	0	2,203
Tennessee*	0	874	854	0	1,728	0	913	998	0	1,911	0	1,084	1,158	0	2,242
Virginia	40	1,252	4,892	123	6,307	40	1,096	5,680	68	6,884	41	1,209	5,621	118	6,989
West Virginia	12	563	1,083	0	1,658	7	525	1,053	0	1,585	7	500	752	0	1,259
SOUTHWEST															
Arizona	0	645	2,207	402	3,254	2	693	2,278	290	3,263	2	734	2,346	250	3,332
New Mexico	0	748	460	11	1,219	0	788	694	30	1,512	25	807	713	23	1,568
Oklahoma	0	698	740	119	1,557	0	673	737	90	1,500	0	635	692	85	1,412
Texas	276	4,498	5,519	1,170	11,463	2	3,820	6,388	863	11,073	2	4,431	7,557	447	12,437
ROCKY MOUNTAIN															
Colorado*	0	731	1,242	0	1,973	0	702	1,026	0	1,728	0	392	1,214	0	1,606
Idaho	0	195	347	0	542	0	266	429	0	695	0	544	674	0	1,218
Montana	10	382	279	0	671	7	395	284	0	686	39	471	363	0	873
Utah	3	406	964	0	1,373	1	402	865	332	1,600	4	382	1,275	150	1,811
Wyoming	10	109	77	0	196	10	109	77	0	196	0	26	106	0	132
FAR WEST															
Alaska	275	1,216	262	0	1,753	243	1,079	293	0	1,615	253	911	274	0	1,438
California	203	4,816	7,953	427	13,399	213	4,517	9,576	264	14,570	227	6,113	13,399	1,042	20,781
Hawaii*	0	137	1,152	42	1,331	0	174	1,209	329	1,712	0	285	1,561	346	2,192
Nevada	0	369	406	180	955	0	381	395	220	996	0	368	548	112	1,028
Oregon	11	46	2,103	20	2,180	13	39	1,708	13	1,773	11	42	1,769	8	1,830
Washington	1	577	2,104	398	3,080	2	525	1,875	297	2,699	2	468	2,016	230	2,716
TOTAL	\$6,275	\$44,196	\$91,210	\$13,350	\$155,031	\$7,640	\$43,284	\$96,328	\$10,564	\$157,816	\$8,204	\$46,252	\$104,989	\$12,466	\$171,911
District of Columbia	317	210	250	196	973	369	245	236	316	1,166					

*See Transportation Notes for explanation.

TABLE 39
TRANSPORTATION EXPENDITURES AS A PERCENT OF
TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	10.8 %	9.5 %	10.5 %
Maine	9.6	9.0	8.4
Massachusetts	7.9	7.5	7.0
New Hampshire	8.9	9.3	8.5
Rhode Island	5.1	6.3	8.0
Vermont	9.7	10.0	9.2
MID-ATLANTIC			
Delaware	8.6	8.7	8.8
Maryland	10.6	11.4	11.3
New Jersey	10.0	9.8	10.8
New York	6.7	6.1	5.8
Pennsylvania	12.2	13.4	12.8
GREAT LAKES			
Illinois	8.1	6.7	6.5
Indiana	7.1	6.8	7.0
Michigan	6.8	7.0	8.1
Ohio	4.9	4.6	4.8
Wisconsin	5.9	6.7	6.4
PLAINS			
Iowa	8.9	9.1	7.6
Kansas	7.0	5.5	6.4
Minnesota	10.2	9.8	11.2
Missouri	7.9	7.9	7.7
Nebraska	7.5	8.2	7.0
North Dakota	14.3	11.5	9.8
South Dakota	14.1	13.2	13.5
SOUTHEAST			
Alabama	6.7	7.7	5.7
Arkansas	6.9	6.5	5.5
Florida	11.9	11.6	12.1
Georgia	7.4	7.0	7.1
Kentucky	7.2	6.9	7.2
Louisiana	5.3	4.6	4.1
Mississippi	7.0	7.0	6.6
North Carolina	11.1	12.1	13.3
South Carolina	8.6	8.7	8.6
Tennessee	5.3	5.6	6.1
Virginia	12.5	13.2	12.6
West Virginia	9.7	9.4	6.9
SOUTHWEST			
Arizona	9.2	8.7	8.8
New Mexico	6.2	7.4	7.6
Oklahoma	6.7	6.6	5.9
Texas	10.6	9.6	11.1
ROCKY MOUNTAIN			
Colorado	5.4	4.3	3.9
Idaho	7.2	8.7	13.1
Montana	9.6	9.9	12.2
Utah	9.7	10.8	10.8
Wyoming	4.4	4.4	2.8
FAR WEST			
Alaska	18.0	15.7	12.3
California	5.1	5.4	6.7
Hawaii	9.1	11.3	14.0
Nevada	6.9	7.0	7.0
Oregon	5.4	4.4	4.3
Washington	6.9	5.9	5.5
ALL STATES	8.0 %	7.9 %	8.1 %

TABLE 40
ANNUAL PERCENTAGE CHANGE IN TRANSPORTATION EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	5.0 %	-4.6 %	-9.7 %	7.8 %	-5.4 %	12.9 %
Maine	-5.1	4.0	-4.8	-8.9	-12.9	-2.0
Massachusetts	-3.8	-2.5	-2.8	-2.7	0.8	-2.0
New Hampshire	15.6	0.4	7.0	-10.9	-2.0	-6.5
Rhode Island	20.5	0.8	28.1	42.0	34.3	39.7
Vermont	-2.6	14.3	5.9	1.9	-13.5	-6.3
MID-ATLANTIC						
Delaware	3.0	59.9	2.3	17.1	-15.9	5.9
Maryland	10.3	2.9	8.8	1.9	17.0	4.8
New Jersey	-0.6	1.0	0.4	25.9	6.1	17.9
New York	2.4	-19.4	-4.4	-18.2	1.1	-1.9
Pennsylvania	36.5	-8.8	12.3	-2.5	18.5	1.1
GREAT LAKES						
Illinois	-2.9	-17.8	-11.4	-4.8	10.8	-4.1
Indiana	-4.2	8.4	1.0	6.3	2.2	4.5
Michigan	18.2	-13.2	7.3	14.1	20.9	16.0
Ohio	-7.9	-5.7	-4.5	1.5	5.4	6.8
Wisconsin	3.3	51.5	16.4	3.6	-7.7	-0.4
PLAINS						
Iowa	16.0	-14.9	5.6	-21.0	-1.7	-15.8
Kansas	-34.0	-16.3	-20.1	70.6	3.5	25.5
Minnesota	6.0	7.9	2.3	7.6	161.9	20.8
Missouri	1.9	-11.2	1.3	-1.0	-1.3	-1.0
Nebraska	19.7	-3.2	11.0	-24.2	4.9	-14.5
North Dakota	-36.3	-15.8	-29.9	-22.9	24.7	-5.0
South Dakota	17.4	-15.7	-1.0	4.2	0.7	2.5
SOUTHEAST						
Alabama	14.9	13.7	16.2	-25.2	-21.3	-26.9
Arkansas	-12.7	12.9	-3.1	-3.1	-31.1	-15.3
Florida	-3.1	13.2	-0.3	31.9	-11.4	19.4
Georgia*	-2.8	2.7	-0.7	3.2	8.3	5.3
Kentucky	2.0	-10.9	-2.8	4.3	12.0	6.9
Louisiana	-1.1	-0.5	-3.1	-6.6	8.1	-1.0
Mississippi	-5.7	3.5	-3.7	4.7	2.2	6.0
North Carolina	23.4	12.3	12.7	19.4	0.8	14.0
South Carolina	-7.8	15.6	1.8	23.2	-26.4	0.1
Tennessee	16.9	4.5	10.6	16.0	18.7	17.3
Virginia	16.0	-12.5	9.1	-1.0	10.3	1.5
West Virginia	-3.2	-6.7	-4.4	-28.4	-4.8	-20.6
SOUTHWEST						
Arizona	3.3	7.4	0.3	3.0	5.9	2.1
New Mexico	50.9	5.3	24.0	6.3	2.4	3.7
Oklahoma	-0.4	-3.6	-3.7	-6.1	-5.6	-5.9
Texas	10.3	-15.1	-3.4	18.3	16.0	12.3
ROCKY MOUNTAIN						
Colorado	-17.4	-4.0	-12.4	18.3	-44.2	-7.1
Idaho	23.6	36.4	28.2	57.1	104.5	75.3
Montana	0.7	3.4	2.2	38.1	19.2	27.3
Utah	-10.4	-1.0	16.5	47.7	-5.0	13.2
Wyoming	0.0	0.0	0.0	21.8	-76.1	-32.7
FAR WEST						
Alaska	-0.2	-11.3	-7.9	-1.7	-15.6	-11.0
California	20.0	-6.2	8.7	39.2	35.3	42.6
Hawaii	4.9	27.0	28.6	29.1	63.8	28.0
Nevada	-2.7	3.3	4.3	38.7	-3.4	3.2
Oregon	-18.6	-15.2	-18.7	3.4	7.7	3.2
Washington	-10.8	-9.0	-12.4	7.5	-10.9	0.6
ALL STATES	6.7 %	-2.1 %	1.8 %	8.9 %	6.9 %	8.9 %
MEDIAN	1.3	-0.3	0.7	4.2	2.2	2.9

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

TABLE 41
ITEMS EXCLUDED FROM TRANSPORTATION EXPENDITURES

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Port Authority Operations	Gasoline Tax & Fee Collections	Truck Enforcement Reg. Programs	Train/Railroad Subsidy Programs	Road Assist. Subsidy Prog. for Local Govts.	Motor Vehicle Licensing	State Police/ Highway Patrol
NEW ENGLAND									
Connecticut			X	X	X			X	X
Maine*					N/A			X	X
Massachusetts*	P	P	X	X					
New Hampshire								X	X
Rhode Island			X				X		X
Vermont			N/A						X
MID-ATLANTIC									
Delaware			X						
Maryland									X
New Jersey			X						X
New York	P	P	N/A	X					X
Pennsylvania			N/A	N/A					X
GREAT LAKES									
Illinois		P	X					X	P
Indiana			X	X				X	
Michigan			N/A					X	X
Ohio*			X		X		P	X	X
Wisconsin			N/A						
PLAINS									
Iowa			X						X
Kansas			N/A		X			X	X
Minnesota			X						
Missouri				X			X	X	X
Nebraska			N/A			N/A	N/A		
North Dakota			X		X				X
South Dakota			X		X			X	X
SOUTHEAST									
Alabama			X		P	N/A		X	X
Arkansas			X			X		X	X
Florida			X	X	X			X	X
Georgia			X		X			X	X
Kentucky			X						X
Louisiana			X		P	X		X	X
Mississippi			X	X				X	X
North Carolina									
South Carolina			X			X			X
Tennessee					X			X	X
Virginia									
West Virginia			P	X	X	N/A	N/A		X
SOUTHWEST									
Arizona									X
New Mexico			X		X	X	X	X	X
Oklahoma	X		X	P	X			X	X
Texas	X	X	X		P	P	P	P	X
ROCKY MOUNTAIN									
Colorado*			X	X	X	X	X	X	X
Idaho							X		X
Montana			X						X
Utah						N/A	P	P	X
Wyoming									
FAR WEST									
Alaska			X	X		X	P		X
California			X						X
Hawaii*			N/A			N/A	N/A	N/A	N/A
Nevada			N/A		X	X			X
Oregon			X						X
Washington			N/A						
ALL STATES	4	4	39	12	17	13	12	23	40
District of Columbia			N/A					X	X

Excluded=X Partially Excluded=P Not Applicable=N/A
*See Transportation Notes for explanation.

Transportation Notes

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

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

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

Maine: In last year's State Expenditure Report, Transportation, Other State Funds, 2017 Actual was reported as \$440 and should have been \$475; 2018 Actual was reported as \$415 and should have been \$451. Motor Vehicle licensing

expenditures were not included in this category in previous surveys.

Massachusetts: Totals do not include certain transportation spending, such as non-state bond cap investments at the Massachusetts Bay Transportation Authority (MBTA).

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

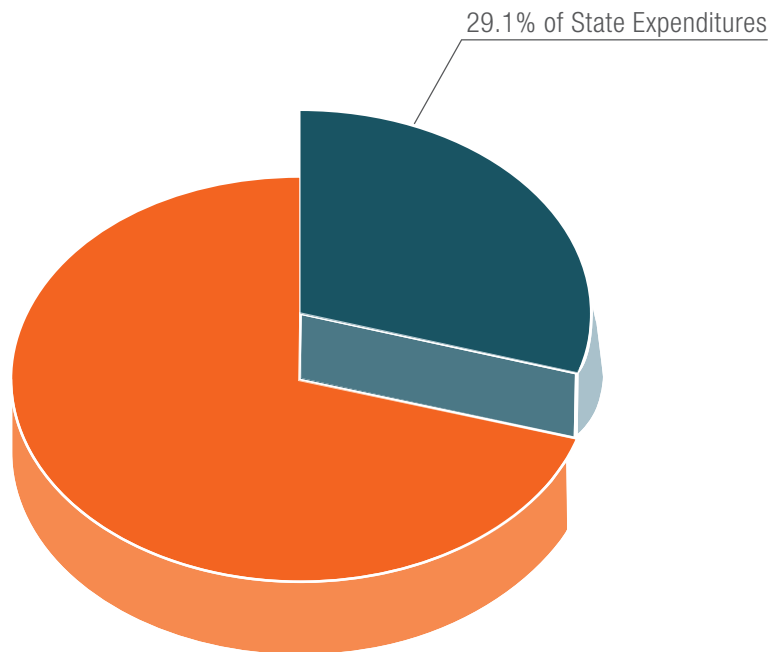
Tennessee: Bond estimates represent bond authorizations, while actual bonds represent bond proceeds utilized.

7

CHAPTER



ALL OTHER EXPENDITURES



All Other Expenditures

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

Total spending in the “All Other” category increased 7.5 percent in fiscal 2019, with state funds growing 8.6 percent and federal funds rising 1.4 percent. The sizeable increase in state funds for “All Other” spending in fiscal 2019 is partly due to most states ending 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. As NASBO’s *Fall 2018 Fiscal Survey of States* noted, increases for the “All Other” category in fiscal 2019 included spending increases for pension fund contributions, employee compensation, deposits to reserve funds, debt service, disaster recovery, and homelessness programs. The “All Other” category of expenditures totaled \$617.0 billion for estimated fiscal 2019, or 29.1 percent of total state spending. Prior to fiscal 2019, the “All Other” category had decreased as a share of total state spending in recent years after peaking at 34.7 percent in fiscal 2010.

In fiscal 2018, total state spending for “All Other” increased 3.3 percent, with state funds growing 2.3 percent and federal funds rising 6.5 percent. The median growth rates for the “All Other” category in fiscal 2018 were all funds (2.3 percent), state funds (2.4 percent), and federal funds (1.4 percent), while in estimated fiscal 2019 the median growth rates are esti-

mated at all funds (5.8 percent), state funds (8.4 percent), and federal funds (4.5 percent).

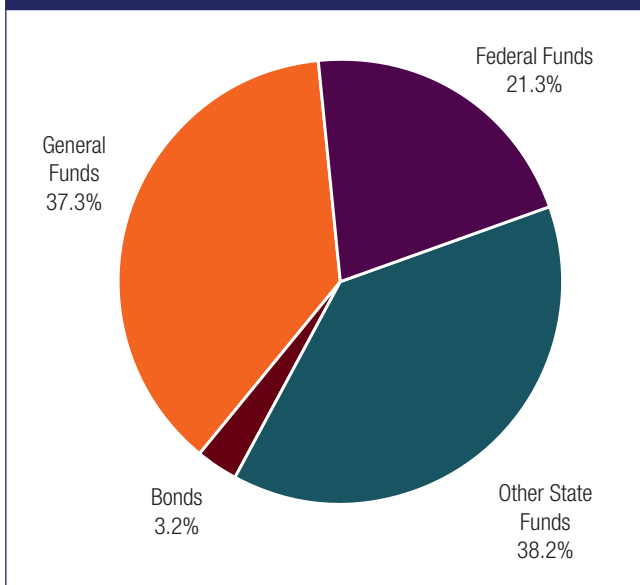
Children’s Health Insurance Program

Enacted as part of the *Balanced Budget Act of 1997*, the State Children’s Health Insurance Program (SCHIP) expanded health care coverage for previously uninsured children. The program was targeted toward children from families with incomes too high to qualify for Medicaid but too low to afford private insurance. The current Children’s Health Insurance Program (CHIP) provides health coverage to eligible children through both Medicaid and separate CHIP programs. The program is funded jointly by states and the federal government. According to the Centers for Medicare and Medicaid Services (CMS), approximately 9.6 million children were enrolled under CHIP in 2018. As shown in Appendix Table A–2, total spending for CHIP was \$14.6 billion in fiscal 2017, \$16.0 billion in fiscal 2018, and is estimated at \$17.0 billion in fiscal 2019.

Debt Service

As in years past, states included debt service in the “All Other” category of the State Expenditure Report. However, in this year’s report for the second time, states also separately detailed their debt service spending. As shown in Appendix Table A–4, states’ spending on debt service totaled \$48.3 billion in fiscal 2017, \$50.2 billion in fiscal 2018, and \$52.9 billion in estimated fiscal 2019. In estimated fiscal 2019, general funds represented 54.2 percent of total state spending on debt service, while other state funds comprised the remaining 45.8 percent. In fiscal year 2019, debt service represented 3.7 percent of spending from state funds (general funds and other state funds combined, excluding bonds), and 3.3 percent of spending from the general fund only. Some states reflect no general fund spending for debt service because they earmark certain tax revenue streams to support bond repayments and direct those resources to state funds other than the general fund. Additionally, some states included notes further explaining their debt service practices.

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



Fund Shares

Figure 17 above illustrates fund shares for estimated fiscal 2019. Other state funds comprised the largest percentage of the “All Other” category at 38.2 percent, with general funds representing 37.3 percent, federal funds 21.3 percent, and bonds 3.2 percent.

Regional Expenditures

Table 42 shows percentage changes for “All Other” expenditures for fiscal 2017–2018 and 2018–2019 by region. In fiscal 2018, the Plains region saw a decline in total spending for “All Other,” while in estimated fiscal 2019, the Southwest region experienced a decline.

TABLE 42
REGIONAL PERCENTAGE CHANGE IN STATE ALL OTHER EXPENDITURES,
FISCAL 2018 AND 2019

Region	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	2.9 %	-1.3 %	3.1 %	7.5 %	3.3 %	6.3 %
Mid-Atlantic	-0.2	4.2	1.0	8.0	4.6	7.2
Great Lakes	0.5	8.1	1.3	-2.2	12.3	0.2
Plains	1.5	-7.7	-1.2	8.4	3.1	7.1
Southeast	3.7	4.3	3.5	11.9	6.6	10.4
Southwest	3.5	54.9	16.6	-12.2	-45.2	-22.4
Rocky Mountain	6.8	-2.5	4.6	12.6	8.8	11.8
Far West	3.9	4.1	4.3	20.9	5.6	20.1
ALL STATES	2.3 %	6.5 %	3.3 %	8.6 %	1.4 %	7.5 %

TABLE 43

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$9,025	\$1,110	\$1,577	\$1,045	\$12,757	\$9,380	\$1,072	\$1,598	\$1,435	\$13,485	\$9,955	\$1,072	\$1,598	\$1,286	\$13,911
Maine	880	482	1,312	16	2,690	900	435	1,297	31	2,663	1,000	454	1,362	22	2,838
Massachusetts	10,755	4,537	8,074	1,102	24,468	11,227	4,461	8,095	1,183	24,966	11,897	4,547	9,095	1,248	26,787
New Hampshire	510	461	614	41	1,626	457	557	735	31	1,780	440	583	792	65	1,880
Rhode Island	1,007	920	1,009	36	2,972	1,036	899	1,038	42	3,015	1,111	1,062	1,141	85	3,399
Vermont	504	524	184	44	1,256	559	507	165	57	1,288	658	473	157	80	1,368
MID-ATLANTIC															
Delaware	1,379	458	2,452	109	4,398	1,350	434	2,439	103	4,326	1,544	434	2,570	72	4,620
Maryland	4,198	1,716	4,419	353	10,686	4,037	1,727	3,952	692	10,408	4,409	2,190	4,359	564	11,522
New Jersey	10,763	3,340	3,216	431	17,750	12,399	3,713	2,596	384	19,092	13,057	4,337	2,785	0	20,179
New York	25,664	10,814	6,734	1,919	45,131	25,144	12,403	7,179	2,266	46,992	24,837	12,099	9,719	3,106	49,761
Pennsylvania	7,500	7,058	9,027	645	24,230	6,331	6,082	9,745	213	22,371	7,077	6,424	10,804	198	24,503
GREAT LAKES															
Illinois	16,204	2,330	13,751	473	32,758	18,130	1,415	10,795	163	30,503	19,309	2,081	10,369	210	31,969
Indiana	2,557	1,555	1,772	0	5,884	2,767	2,950	1,747	0	7,464	2,501	2,759	1,482	0	6,742
Michigan	3,150	4,939	6,937	25	15,051	3,458	5,514	7,171	61	16,204	3,891	6,704	3,914	56	14,565
Ohio*	4,218	2,480	13,484	1,659	21,841	4,183	2,545	13,920	1,677	22,325	4,282	2,745	14,084	1,745	22,856
Wisconsin	3,363	2,613	12,853	0	18,829	3,580	2,614	12,902	0	19,096	3,725	2,600	13,369	0	19,694
PLAINS															
Iowa	1,447	2,109	1,987	6	5,549	1,456	1,588	2,315	8	5,367	1,591	1,668	2,263	7	5,529
Kansas	957	599	1,705	119	3,380	908	692	1,789	116	3,505	1,085	787	1,844	130	3,846
Minnesota	5,414	2,762	1,678	264	10,118	5,584	2,874	1,711	196	10,365	6,005	3,234	2,108	240	11,587
Missouri	2,133	1,838	1,910	78	5,959	2,174	1,857	1,834	101	5,966	2,348	1,872	1,857	79	6,156
Nebraska	986	943	2,055	0	3,984	1,116	698	2,231	0	4,045	997	365	2,653	0	4,015
North Dakota	704	361	1,129	0	2,194	415	200	923	0	1,538	473	234	1,124	0	1,831
South Dakota	310	335	512	1	1,158	315	353	503	6	1,177	355	361	533	28	1,277
SOUTHEAST															
Alabama*	1,128	2,253	3,049	86	6,516	1,046	2,210	3,052	167	6,475	895	1,876	2,590	36	5,397
Arkansas	594	843	6,550	58	8,045	623	856	6,785	44	8,308	571	857	7,024	54	8,506
Florida	6,265	7,353	2,697	1,224	17,539	6,681	8,113	2,399	1,183	18,376	6,569	8,896	6,809	1,207	23,481
Georgia	4,779	3,089	4,068	178	12,114	5,028	2,810	4,265	305	12,408	5,532	2,787	4,519	267	13,105
Kentucky	2,549	1,748	2,011	0	6,308	2,547	1,879	2,061	0	6,487	2,799	2,018	2,206	0	7,023
Louisiana	2,069	1,823	3,864	107	7,863	2,301	1,961	5,191	149	9,602	2,568	3,320	6,448	54	12,390
Mississippi	1,558	1,758	1,197	900	5,413	1,527	1,724	1,158	486	4,895	1,551	2,505	1,577	699	6,332
North Carolina	4,521	2,822	2,360	64	9,767	4,552	2,931	2,921	36	10,440	4,591	1,741	3,621	110	10,063
South Carolina	2,350	1,550	1,469	13	5,382	2,505	1,794	1,502	27	5,828	2,568	1,434	1,470	17	5,489
Tennessee	2,982	3,445	1,958	0	8,385	3,127	3,460	1,999	0	8,586	3,513	4,191	2,219	89	10,012
Virginia	6,376	2,115	9,191	369	18,051	6,552	2,197	9,346	336	18,431	6,755	2,276	9,812	367	19,210
West Virginia	1,183	185	5,301	0	6,669	552	301	5,301	0	6,154	527	342	6,195	0	7,064
SOUTHWEST															
Arizona	1,878	2,937	2,381	0	7,196	1,787	3,503	2,768	0	8,058	610	2,054	2,810	0	5,474
New Mexico	1,403	1,741	2,418	292	5,854	1,431	2,126	2,737	146	6,440	1,515	2,075	2,753	81	6,424
Oklahoma	1,490	1,726	3,095	187	6,498	2,015	2,177	1,405	277	5,874	1,814	2,436	1,921	201	6,372
Texas*	9,391	1,647	1,626	546	13,210	10,357	4,667	2,019	789	17,832	8,475	267	1,631	1,012	11,385
ROCKY MOUNTAIN															
Colorado*	2,463	1,431	5,910	0	9,804	2,711	1,545	6,716	0	10,972	3,590	1,491	7,082	0	12,163
Idaho*	477	951	558	0	1,986	524	783	660	0	1,967	538	909	822	0	2,269
Montana	750	843	957	0	2,550	706	793	985	0	2,484	712	883	929	0	2,524
Utah	1,290	1,127	1,611	0	4,028	1,369	1,122	1,402	0	3,893	1,531	1,392	1,601	0	4,524
Wyoming	562	512	1,069	0	2,143	567	497	1,067	0	2,131	775	484	1,233	0	2,492
FAR WEST															
Alaska	1,463	782	786	0	3,031	1,474	748	1,496	0	3,718	2,829	988	1,059	0	4,876
California	22,706	17,623	24,382	1,443	66,154	23,175	17,836	26,161	1,701	68,873	34,508	19,513	30,995	5,235	90,251
Hawaii	4,241	718	2,107	520	7,586	4,609	758	1,573	639	7,579	4,510	450	1,864	551	7,375
Nevada	1,081	1,016	3,933	21	6,051	937	1,041	3,965	26	5,969	1,321	1,178	3,742	38	6,279
Oregon	2,620	2,349	16,182	51	21,202	2,510	3,150	16,441	70	22,171	2,521	3,071	17,691	97	23,380
Washington	3,793	2,966	4,308	239	11,306	3,656	2,956	5,021	351	11,984	4,180	2,769	4,822	517	12,288
TOTAL	\$205,590	\$121,637	\$213,429	\$14,664	\$555,320	\$211,775	\$129,528	\$217,076	\$15,497	\$573,876	\$230,415	\$131,288	\$235,427	\$19,853	\$616,983
District of Columbia	3,853	685	646	256	5,440	4,149	569	726	384	5,828					

*See All Other Expenditures Notes for explanation.

TABLE 44
ALL OTHER EXPENDITURES AS A PERCENT OF
TOTAL EXPENDITURES

Region/State	Fiscal 2017	Fiscal 2018	Fiscal 2019
NEW ENGLAND			
Connecticut	39.4 %	40.7 %	40.8 %
Maine	32.6	31.7	32.2
Massachusetts	44.2	43.7	44.8
New Hampshire	27.4	29.0	30.2
Rhode Island	33.4	32.6	33.6
Vermont	22.6	22.7	23.4
MID-ATLANTIC			
Delaware	41.2	39.9	40.8
Maryland	24.7	23.8	24.9
New Jersey	29.9	31.4	31.1
New York	28.7	28.7	29.1
Pennsylvania	29.1	26.3	27.4
GREAT LAKES			
Illinois	48.2	41.9	44.3
Indiana	18.4	22.2	19.7
Michigan	27.7	28.6	25.5
Ohio	32.0	32.0	32.2
Wisconsin	40.1	39.6	39.2
PLAINS			
Iowa	24.5	23.0	23.5
Kansas	21.7	22.0	22.4
Minnesota	27.0	26.0	27.5
Missouri	23.3	22.9	23.3
Nebraska	33.6	33.3	33.2
North Dakota	32.3	26.1	27.8
South Dakota	27.4	26.4	28.4
SOUTHEAST			
Alabama	24.4	23.8	20.2
Arkansas	32.0	32.4	33.0
Florida	23.0	23.4	26.3
Georgia	24.5	24.1	24.5
Kentucky	18.8	19.1	20.2
Louisiana	27.7	30.7	35.5
Mississippi	26.6	24.9	28.8
North Carolina	20.3	21.0	19.5
South Carolina	21.4	23.1	21.4
Tennessee	25.5	25.1	27.1
Virginia	35.9	35.4	34.8
West Virginia	39.2	36.5	38.6
SOUTHWEST			
Arizona	20.2	21.5	14.4
New Mexico	29.7	31.5	31.3
Oklahoma	27.9	25.9	26.7
Texas	12.3	15.5	10.2
ROCKY MOUNTAIN			
Colorado	26.6	27.6	29.2
Idaho	26.5	24.7	24.4
Montana	36.7	35.7	35.2
Utah	28.3	26.3	26.9
Wyoming	48.4	48.2	52.9
FAR WEST			
Alaska	31.1	36.1	41.7
California	25.3	25.5	29.0
Hawaii	51.7	49.9	47.2
Nevada	43.5	41.8	42.5
Oregon	53.0	54.6	54.8
Washington	25.3	26.0	24.8
ALL STATES	28.7 %	28.6 %	29.1 %

TABLE 45
ANNUAL PERCENTAGE CHANGE IN ALL OTHER EXPENDITURES

Region/State	Fiscal 2017 to 2018			Fiscal 2018 to 2019		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
NEW ENGLAND						
Connecticut	3.5 %	-3.4 %	5.7 %	5.2 %	0.0 %	3.2 %
Maine	0.2	-9.8	-1.0	7.5	4.4	6.6
Massachusetts	2.6	-1.7	2.0	8.6	1.9	7.3
New Hampshire	6.0	20.8	9.5	3.4	4.7	5.6
Rhode Island	2.9	-2.3	1.4	8.6	18.1	12.7
Vermont	5.2	-3.2	2.5	12.6	-6.7	6.2
MID-ATLANTIC						
Delaware	-1.1	-5.2	-1.6	8.6	0.0	6.8
Maryland	-7.3	0.6	-2.6	9.8	26.8	10.7
New Jersey	7.3	11.2	7.6	5.6	16.8	5.7
New York	-0.2	14.7	4.1	6.9	-2.5	5.9
Pennsylvania	-2.7	-13.8	-7.7	11.2	5.6	9.5
GREAT LAKES						
Illinois	-3.4	-39.3	-6.9	2.6	47.1	4.8
Indiana	4.3	89.7	26.9	-11.8	-6.5	-9.7
Michigan	5.4	11.6	7.7	-26.6	21.6	-10.1
Ohio	2.3	2.6	2.2	1.5	7.9	2.4
Wisconsin	1.6	0.0	1.4	3.7	-0.5	3.1
PLAINS						
Iowa	9.8	-24.7	-3.3	2.2	5.0	3.0
Kansas	1.3	15.5	3.7	8.6	13.7	9.7
Minnesota	2.9	4.1	2.4	11.2	12.5	11.8
Missouri	-0.9	1.0	0.1	4.9	0.8	3.2
Nebraska	10.1	-26.0	1.5	9.1	-47.7	-0.7
North Dakota	-27.0	-44.6	-29.9	19.4	17.0	19.1
South Dakota	-0.5	5.4	1.6	8.6	2.3	8.5
SOUTHEAST						
Alabama	-1.9	-1.9	-0.6	-15.0	-15.1	-16.6
Arkansas	3.7	1.5	3.3	2.5	0.1	2.4
Florida	1.3	10.3	4.8	47.3	9.7	27.8
Georgia	5.0	-9.0	2.4	8.2	-0.8	5.6
Kentucky	1.1	7.5	2.8	8.6	7.4	8.3
Louisiana	26.3	7.6	22.1	20.3	69.3	29.0
Mississippi	-2.5	-1.9	-9.6	16.5	45.3	29.4
North Carolina	8.6	3.9	6.9	9.9	-40.6	-3.6
South Carolina	4.9	15.7	8.3	0.8	-20.1	-5.8
Tennessee	3.8	0.4	2.4	11.8	21.1	16.6
Virginia	2.1	3.9	2.1	4.2	3.6	4.2
West Virginia	-9.7	62.7	-7.7	14.8	13.6	14.8
SOUTHWEST						
Arizona	6.9	19.3	12.0	-24.9	-41.4	-32.1
New Mexico	9.1	22.1	10.0	2.4	-2.4	-0.2
Oklahoma	-25.4	26.1	-9.6	9.2	11.9	8.5
Texas	12.3	183.4	35.0	-18.3	-94.3	-36.2
ROCKY MOUNTAIN						
Colorado	12.6	8.0	11.9	13.2	-3.5	10.9
Idaho	14.4	-17.7	-1.0	14.9	16.1	15.4
Montana	-0.9	-5.9	-2.6	-3.0	11.3	1.6
Utah	-4.5	-0.4	-3.4	13.0	24.1	16.2
Wyoming	0.2	-2.9	-0.6	22.9	-2.6	16.9
FAR WEST						
Alaska	32.1	-4.3	22.7	30.9	32.1	31.1
California	4.8	1.2	4.1	32.8	9.4	31.0
Hawaii	-2.6	5.6	-0.1	3.1	-40.6	-2.7
Nevada	-2.2	2.5	-1.4	3.3	13.2	5.2
Oregon	0.8	34.1	4.6	6.7	-2.5	5.5
Washington	7.1	-0.3	6.0	3.7	-6.3	2.5
ALL STATES	2.3 %	6.5 %	3.3 %	8.6 %	1.4 %	7.5 %
MEDIAN	2.4	1.4	2.3	8.4	4.5	5.8

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

TABLE 46
ITEMS EXCLUDED FROM ALL OTHER EXPENDITURES

Region/State	Employers Contribution to Pensions	Employer Contributions to Health Benefits	Child Health Insurance Program	Public Health	Community and Institutional for Mental Health	Community and Institutional for Dev. Disabled	Environmental Programs	Parks and Recreation	Housing	General Aid to Local Government
NEW ENGLAND										
Connecticut					P	P				
Maine										
Massachusetts										
New Hampshire										
Rhode Island									P	
Vermont				P	P	P				
MID-ATLANTIC										
Delaware										
Maryland										
New Jersey										
New York	P									
Pennsylvania		P								
GREAT LAKES										
Illinois										P
Indiana										
Michigan						N/A				
Ohio*			X			P			P	
Wisconsin										
PLAINS										
Iowa									P	
Kansas									N/A	
Minnesota										
Missouri									X	
Nebraska									P	
North Dakota										
South Dakota										X
SOUTHEAST										
Alabama									N/A	X
Arkansas										
Florida										
Georgia										
Kentucky										
Louisiana									X	
Mississippi									X	
North Carolina										
South Carolina										
Tennessee										X
Virginia										
West Virginia										
SOUTHWEST										
Arizona			X		X					
New Mexico										
Oklahoma									P	P
Texas				X						
ROCKY MOUNTAIN										
Colorado*			X							
Idaho			X						N/A	X
Montana										
Utah										
Wyoming										
FAR WEST										
Alaska										
California										
Hawaii	P									
Nevada		P	N/A							
Oregon										
Washington										X
ALL STATES	2	2	5	2	3	4	0	0	11	7
District of Columbia										N/A

Excluded=X Partially Excluded=P Not Applicable=N/A
*See All Other Expenditures Notes for explanation.

All Other Expenditures Notes

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

Alabama: Capital expenditures from Federal and Other State Funds are not reported separately; combined amounts are included in the Other State Funds.

Colorado: CHIP expenditures are excluded from the Medicaid category and added to the All Other category to adhere more closely to the survey directions. In previous surveys, CHIP expenditures were included in Medicaid.

Ohio: While employer contributions to current employees' pensions and employer contributions to employee health benefits are included in the expenditure totals, agencies do not

receive specific appropriations for these purposes. Some expenditures in community and institutional care for the developmentally disabled are included in the Medicaid totals. Most of the expenditures of the Ohio Housing Finance Agency occur outside of the state financial system and are excluded from the housing totals.

Texas: Regarding the All Other Federal Funds category, figures for 2017 and 2018 are actuals and estimated expenditures respectively. However, for 2019 the most concrete numbers available are what was appropriated by the legislature in the previous budget setting session. The figure will likely increase after the fiscal year ends on August 31st and the agencies report the actual expenditures. For example, Hurricane Harvey expenditures were not originally budgeted, but the CDBG expenditures will be accounted for following end of year reporting.

8

CHAPTER



CAPITAL EXPENDITURES

Capital Expenditures

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

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

Total Capital Expenditures

States increased capital spending by an estimated 7.7 percent in fiscal 2019, declined by 1.2 percent in fiscal 2018, and increased by 6.4 percent in fiscal 2017. The fiscal 2019 growth rate of 7.7 percent is the third highest annual figure over the last 20 years. While capital spending can fluctuate from year-to-year, the historical average level of growth since 1991 is 4.2 percent. Overall, state capital spending totaled \$107.1 billion in fiscal 2017, \$105.8 billion in fiscal 2018, and is estimated to total \$113.9 billion in fiscal 2019.

Capital Fund Sources

Approximately 73 percent of state spending on capital projects is on a pay-go, or cash basis. The other 27 percent is from debt financing. States primarily use dedicated sources like the transportation fund, higher education tuition and fees, set-aside funding for capital projects, federal funds, and fund surpluses to finance capital spending. State cash sources represent 46.0 percent of capital spending in fiscal 2019, federal funds are 26.8 percent, and bonds are 27.1 percent. The vast majority of federal funds spent for capital purposes is for transportation (93.6 percent in fiscal 2019). The share of capital spending from debt financing, or bonds, in fiscal 2019 at 27.1

percent is the lowest reported amount since fiscal 2001 and has been trending downward since fiscal 2011. Additionally, in some states the reporting of bond fund capital spending is included in the other state funds category due to the difficulty of separating the fund sources in multiple fund source capital projects.

Capital Funds by Use

Comprising 64.2 percent (\$73.1 billion) of all capital expenditures in fiscal 2019, **transportation** is the largest category of state capital expenditures, rising from 54.1 percent in fiscal 2009. Capital spending for transportation increased by 9.3 percent in fiscal 2019 and declined by 2.8 percent in fiscal 2018. Since 2010, transportation capital spending has increased by an annual average of 4.9 percent, reflecting states' efforts at addressing both the maintenance and expansion of its transportation systems with tax and revenue actions to raise funds. The amount of reported capital spending would be even larger because a dozen states treat capital spending on the construction and maintenance of roads, bridges and mass transit differently than other capital spending; those amounts are included in the total transportation spending in Table 38.

For the second time in the *State Expenditure Report*, states were asked to isolate capital expenditures for **elementary and secondary education**. States vary greatly in the extent that they provide capital funds for elementary and secondary education, with 22 states either fully or partially excluding capital expenditures from K–12 spending. In many states, funding provided for schools includes amounts eligible for local capital spending or debt service participation subsidies for local school bonds. In fiscal 2019, elementary and secondary education capital spending is estimated to represent 2.3 percent of overall capital spending.

Higher education capital expenditures are estimated to increase by 2.4 percent in fiscal 2019, totaling \$12.1 billion, and account for 10.7 percent of total state capital outlays. Higher education is the second largest category of state capital expenditures. In fiscal 2018, higher education capital spending declined by 6.2 percent. The share of higher education capital spending has been trending downward from a peak of 15.2 percent in fiscal 2009.

Corrections capital spending increased by 5.7 percent in fiscal 2019 after decreasing by 11.6 percent (\$1.2 billion) in fiscal

2018. Corrections accounted for only 1.1 percent of total state capital expenditures. Capital spending for corrections reflects the year-to-year fluctuations as the largest changes in spending from a prior year are normally due to major institutional construction and renovation projects. From an historical trend view, capital spending for corrections peaked twenty years ago reflecting a surge of institutional expansions at that time.

Housing capital expenditures account for just 1.1 percent of total fiscal 2019 capital spending, at approximately \$1.3 billion. Housing capital spending increased by 13.4 percent in fiscal 2019 and rose by 18.5 percent in fiscal 2018. About 25 percent of states report capital spending for housing and more than 80 percent of the funding is from debt financing.

State capital spending for **environmental** purposes in fiscal 2019 totaled \$6.4 billion, 5.6 percent of total capital spending, reflecting a decline of 1.6 percent from fiscal 2018. Environmental capital expenditures increased by 13.3 percent in fiscal

2018. Environmental capital spending may include, but is not limited to, projects for environmental cleanup, drinking water, clean water, air quality, hazardous waste management, and river revitalization.

State spending for **“all other”** purposes totaled an estimated \$17.2 billion in fiscal 2019, or 15.1 percent of total capital spending. In fiscal 2019, “all other” capital spending is estimated to grow by 13.5 percent.

This includes capital expenditures not classified into one of the other categories. Examples of expenditures in the “all other” category may include items such as behavioral health and hospital facilities, parks and tourism, large information technology systems, other state facilities, community and economic development projects, and other criminal justice facilities. This broad category of capital spending is most reliant on funding from bonds, representing 53.4 percent in fiscal 2019.

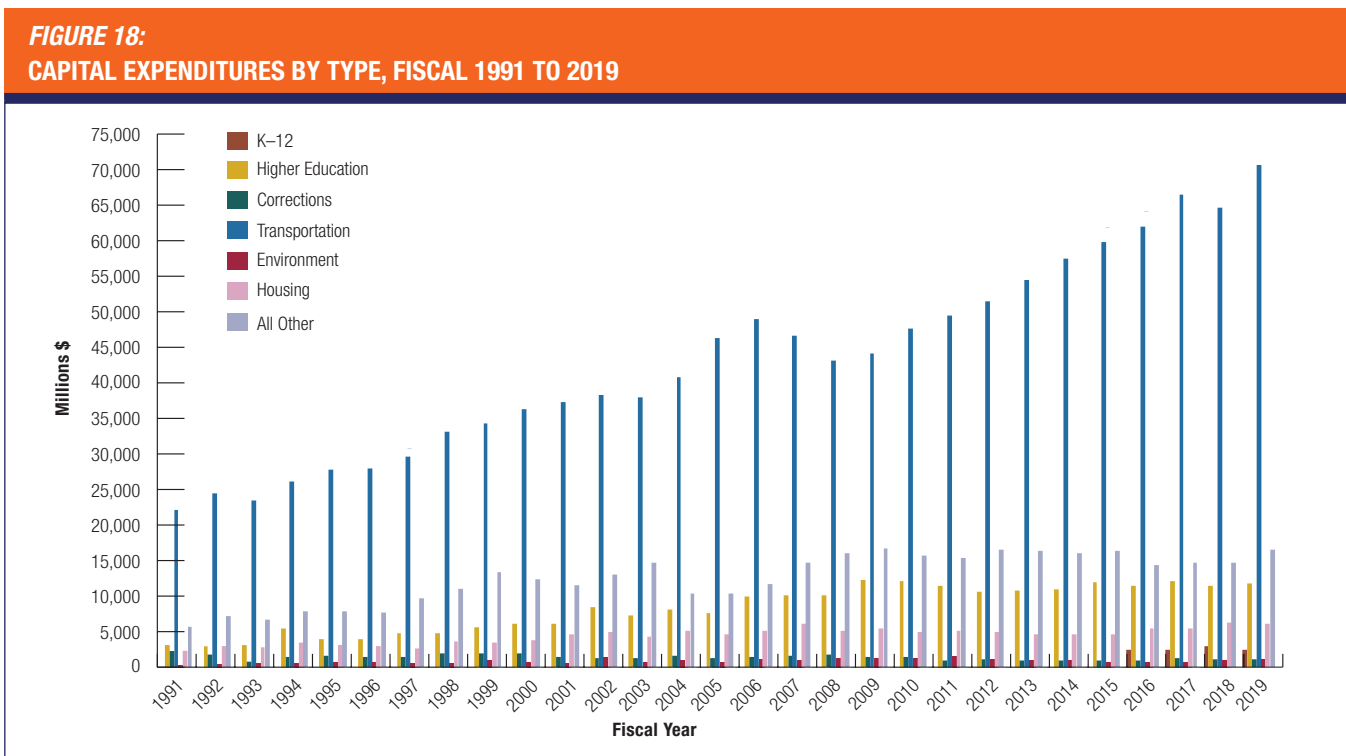


TABLE 47
CAPITAL EXPENDITURES BY PROGRAM AREA (\$ IN MILLIONS)

Year	K-12	Higher Education	Corrections	Transportation	Housing	Environment	All Other	Total
1991		3,222	2,321	22,845	411	2,358	5,898	\$ 37,055
1992		3,075	1,882	25,245	515	3,027	7,476	41,221
1993		3,274	940	24,234	599	2,881	6,948	38,876
1994		5,681	1,564	27,041	761	3,594	8,232	46,872
1995		4,183	1,725	28,765	816	3,186	8,131	46,805
1996		4,133	1,618	28,869	802	3,065	8,003	46,491
1997		5,021	1,592	30,727	713	2,791	10,114	50,957
1998		5,028	2,117	34,239	711	3,816	11,446	57,488
1999		5,875	2,092	35,399	959	3,530	13,775	61,630
2000		6,325	2,084	37,596	837	3,968	12,865	63,675
2001		6,369	1,575	38,555	630	4,736	12,027	63,892
2002		8,733	1,434	39,542	1,469	5,115	13,466	69,759
2003		7,594	1,384	39,184	923	4,434	15,293	68,812
2004		8,439	1,726	42,115	963	5,404	10,739	69,386
2005		7,946	1,357	47,790	912	4,883	10,832	73,720
2006		10,241	1,466	50,629	1,192	5,338	12,162	81,028
2007		10,570	1,743	48,184	1,090	6,406	15,235	83,228
2008		10,556	1,880	44,542	1,362	5,401	16,615	80,356
2009		12,803	1,558	45,644	1,406	5,700	17,277	84,388
2010		12,514	1,554	49,184	1,289	5,076	16,287	85,904
2011		11,954	1,019	51,113	1,661	5,332	15,971	87,050
2012		10,979	1,158	53,140	1,226	5,090	17,079	88,672
2013		11,224	978	56,269	1,110	4,761	16,899	91,241
2014		11,356	1,072	59,355	946	4,883	16,574	94,186
2015		12,441	1,010	61,894	900	4,885	17,024	98,153
2016	2,614	11,923	956	64,092	899	5,629	14,953	100,708
2017	2,580	12,647	1,301	68,785	930	5,720	15,184	107,141
2018	3,157	11,864	1,150	66,890	1,102	6,481	15,163	105,804
2019	2,615	12,147	1,215	73,086	1,250	6,380	17,205	\$ 113,901

FIGURE 19:
ANNUAL PERCENTAGE CHANGE IN TOTAL CAPITAL EXPENDITURES

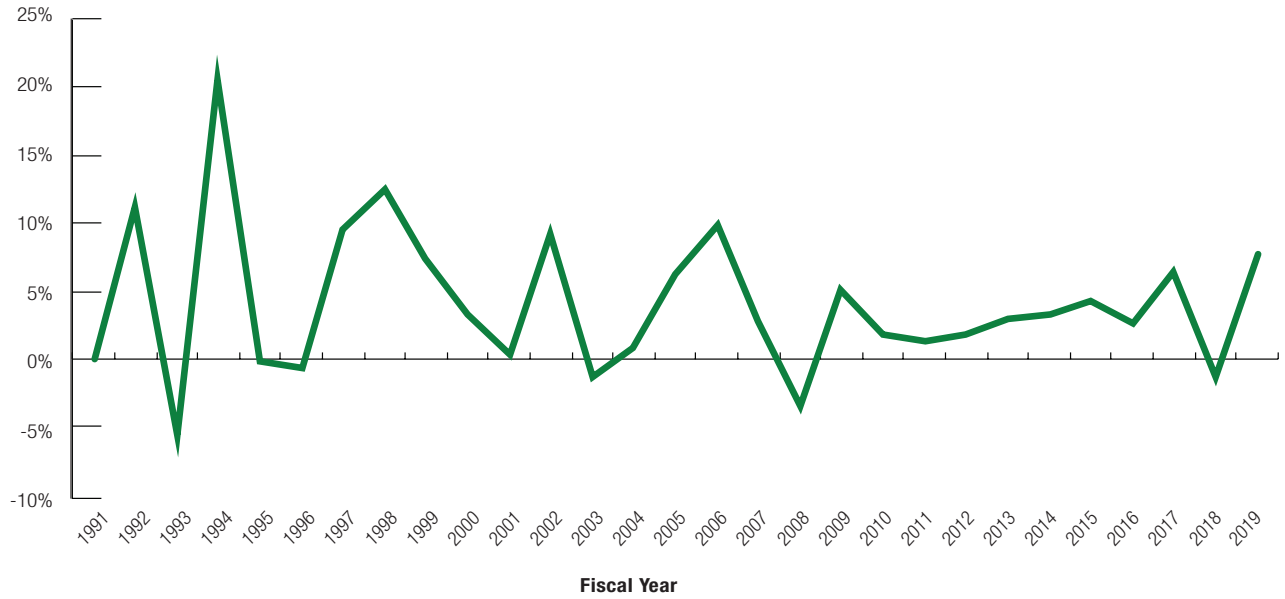


FIGURE 20
TOTAL CAPITAL EXPENDITURES BY FUNDING SOURCE, FISCAL 2019

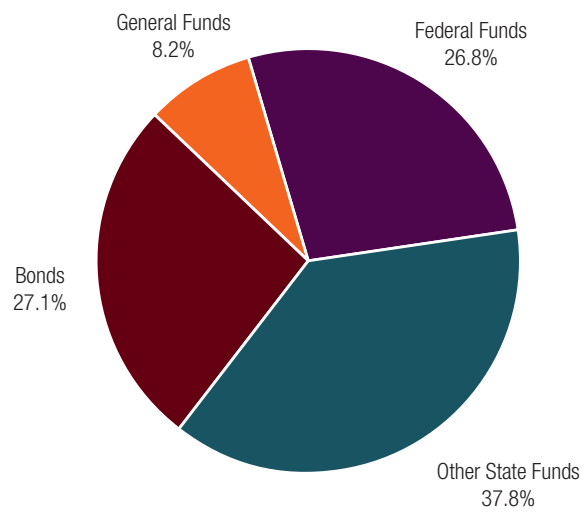


TABLE 48
TOTAL CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$491	\$14	\$2,954	\$3,459	\$0	\$478	\$12	\$2,913	\$3,403	\$0	\$482	\$17	\$2,827	\$3,326
Maine	12	169	130	94	405	6	154	107	69	336	10	134	84	108	336
Massachusetts*	0	608	0	2,652	3,260	0	616	0	2,631	3,247	0	622	0	2,599	3,220
New Hampshire	0	36	269	103	408	0	38	311	73	422	0	47	277	98	422
Rhode Island	6	211	157	128	502	6	179	183	230	598	9	182	299	341	831
Vermont	0	222	56	49	327	0	221	54	64	339	0	215	64	87	366
MID-ATLANTIC															
Delaware	0	217	217	531	965	0	347	234	255	836	0	292	312	297	901
Maryland	63	858	2,129	1,136	4,186	1	920	1,975	1,455	4,351	51	1,054	2,115	1,346	4,566
New Jersey	1,651	1,699	411	2,166	5,927	1,648	1,860	469	2,140	6,117	1,731	1,683	850	2,050	6,314
New York	0	2,326	3,400	4,431	10,157	0	1,855	4,075	4,710	10,640	0	1,944	3,784	6,538	12,266
Pennsylvania	1,095	0	0	2,223	3,318	2,967	0	0	627	3,594	2,303	0	0	596	2,899
GREAT LAKES															
Illinois	0	89	2,978	903	3,970	0	80	2,899	458	3,437	0	81	2,611	544	3,237
Indiana	290	0	46	0	336	393	0	64	0	457	239	0	45	0	284
Michigan	237	1,194	277	66	1,774	256	1,054	502	145	1,957	286	1,272	691	192	2,441
Ohio	0	1,263	991	1,335	3,590	0	1,183	803	1,627	3,613	0	1,221	780	1,467	3,468
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	500	808	3	1,311	0	474	919	6	1,399	0	452	612	6	1,070
Kansas	30	492	151	154	827	41	208	223	157	629	37	356	282	171	845
Minnesota	0	0	0	641	641	0	0	0	408	408	0	0	0	610	610
Missouri	34	9	63	164	270	32	14	33	190	269	95	18	36	89	238
Nebraska	27	357	790	0	1,174	24	343	674	0	1,041	24	359	628	0	1,012
North Dakota	138	257	463	2	860	29	206	274	25	534	28	277	321	47	673
South Dakota	8	28	77	20	133	8	19	36	20	83	4	9	34	32	79
SOUTHEAST															
Alabama*	3	228	359	460	1,050	3	234	318	589	1,144	4	302	354	277	937
Arkansas*	0	471	794	5	1,270	0	498	751	5	1,255	0	278	724	5	1,007
Florida*	395	2,598	7,274	1,667	11,934	536	2,851	6,722	1,562	11,671	475	2,624	8,700	1,652	13,451
Georgia	836	1,144	380	952	3,312	796	1,189	315	1,166	3,466	1,104	1,279	56	1,184	3,623
Kentucky	0	0	773	0	773	0	0	938	0	938	0	0	681	0	681
Louisiana	11	596	336	304	1,247	19	600	276	292	1,187	19	647	242	167	1,075
Mississippi	18	327	563	1,124	2,032	15	38	269	667	988	14	50	321	898	1,283
North Carolina	27	1,194	1,898	547	3,666	154	1,430	2,494	248	4,326	10	1,418	3,010	393	4,831
South Carolina	124	43	545	617	1,329	251	17	191	175	634	70	14	107	147	338
Tennessee*	420	887	480	0	1,787	575	920	666	3	2,164	190	1,088	749	31	2,058
Virginia	40	27	151	637	855	-33	37	193	651	850	2	20	188	1,000	1,210
West Virginia	26	563	444	55	1,088	15	517	1,117	0	1,649	13	497	734	2	1,246
SOUTHWEST															
Arizona	275	503	616	131	1,525	333	540	658	42	1,573	342	572	696	60	1,670
New Mexico	1	470	162	662	1,295	27	479	328	507	1,341	34	512	338	287	1,171
Oklahoma	2	536	1,305	266	2,109	2	495	1,058	221	1,776	3	433	1,070	297	1,803
Texas	155	3,515	5,167	977	9,814	175	3,931	4,712	948	9,766	168	4,538	5,579	582	10,867
ROCKY MOUNTAIN															
Colorado*	223	0	109	0	332	152	0	128	0	280	128	0	91	0	219
Idaho	27	166	287	0	480	29	259	388	0	676	22	582	681	0	1,285
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	362	379	1,353	0	2,094	269	387	1,074	332	2,062	466	354	1,436	150	2,406
Wyoming	13	4	6	0	23	13	3	6	0	22	162	68	277	0	507
FAR WEST															
Alaska	124	1,334	145	0	1,603	155	1,188	142	0	1,485	154	1,134	240	0	1,527
California*	304	2,217	975	566	4,062	96	1,858	748	613	3,315	1,099	2,341	1,200	909	5,549
Hawaii	27	140	241	682	1,090	73	199	226	1,131	1,629	13	303	189	1,021	1,526
Nevada	6	304	251	223	783	15	316	249	282	862	31	303	330	181	844
Oregon	0	11	0	138	150	0	21	0	162	183	0	5	0	324	329
Washington	0	704	1,620	1,316	3,640	0	566	1,313	974	2,853	0	520	1,260	1,274	3,054
TOTAL*	\$7,008	\$29,387	\$39,661	\$31,085	\$107,141	\$9,081	\$28,822	\$39,127	\$28,774	\$105,804	\$9,341	\$30,582	\$43,094	\$30,884	\$113,901
District of Columbia	0	227	267	874	1,368	0	256	281	1,083	1,620					

*See Capital Expenditures Notes for explanation.

TABLE 49
ELEMENTARY & SECONDARY EDUCATION CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$278	\$278	\$0	\$0	\$0	\$518	\$518	\$0	\$0	\$0	\$228	\$228
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	23	23	0	0	0	33	33	0	0	0	32	32
New Hampshire	0	0	0	12	12	0	0	0	12	12	0	0	0	15	15
Rhode Island	0	0	3	3	6	0	0	3	0	3	0	0	4	7	11
Vermont	0	0	0	1	1	0	0	0	0	0	0	0	0	2	2
MID-ATLANTIC															
Delaware	0	0	0	133	133	0	0	0	129	129	0	0	0	199	199
Maryland	0	0	0	337	337	0	0	0	362	362	10	0	0	421	431
New Jersey	1	0	1	0	2	0	6	1	0	7	0	0	2	0	2
New York	0	0	4	50	54	0	0	7	111	118	0	0	17	133	150
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GREAT LAKES															
Illinois	0	0	13	60	73	0	0	13	2	15	0	0	14	6	20
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio	0	0	60	209	269	0	0	40	389	429	0	0	54	147	201
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	2	0	2	0	0	1	0	1
Minnesota	0	0	0	2	2	0	0	0	0	0	0	0	0	2	2
Missouri	0	0	1	1	2	0	0	1	3	4	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SOUTHEAST															
Alabama	2	0	177	60	239	3	0	181	27	211	3	0	186	13	202
Arkansas	0	0	2	0	2	0	0	62	0	62	0	0	1	0	1
Florida	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	0	0	0	252	252	0	0	0	252	252	0	0	0	305	305
Kentucky	0	0	4	0	4	0	0	7	0	7	0	0	30	0	30
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	5	5	1	0	0	5	6	0	1	0	0	1
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	15	6	7	0	28	4	0	0	0	4	3	1	0	0	4
Tennessee	0	0	0	0	0	28	0	0	3	31	0	0	0	0	0
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0
SOUTHWEST															
Arizona	228	0	0	0	228	292	0	0	0	292	275	0	0	0	275
New Mexico	0	0	0	244	244	0	0	0	239	239	1	0	0	84	85
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ROCKY MOUNTAIN															
Colorado*	4	0	0	0	4	9	0	0	0	9	3	0	0	0	3
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	14	0	22	0	36	25	0	19	0	44	15	0	19	0	34
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST															
Alaska	11	0	7	0	18	0	0	0	0	0	0	1	0	0	1
California	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Washington	0	0	41	286	327	0	0	147	221	368	0	0	49	331	380
TOTAL	\$276	\$6	\$342	\$1,956	\$2,580	\$362	\$6	\$483	\$2,306	\$3,157	\$310	\$3	\$377	\$1,925	\$2,615
District of Columbia	0	0	7	410	417	0	0	2	368	370					

*See Capital Expenditures Notes for explanation.

TABLE 50
HIGHER EDUCATION CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$337	\$337	\$0	\$0	\$0	\$56	\$56	\$0	\$0	\$0	\$28	\$28
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	239	239	0	0	0	148	148	0	0	0	118	118
New Hampshire	0	0	0	9	9	0	0	0	8	8	0	0	0	6	6
Rhode Island	1	0	40	53	94	2	0	50	63	115	5	0	51	82	138
Vermont	0	0	0	4	4	0	0	0	7	7	0	0	0	4	4
MID-ATLANTIC															
Delaware	0	0	0	16	16	0	0	0	5	5	0	0	0	9	9
Maryland	0	2	0	420	422	0	0	0	392	392	0	0	0	348	348
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	165	632	797	0	0	336	645	981	0	0	337	645	982
Pennsylvania	0	0	0	190	190	0	0	0	189	189	0	0	0	163	163
GREAT LAKES															
Illinois	0	0	0	44	44	0	0	0	58	58	0	0	0	39	39
Indiana	46	0	0	0	46	121	0	0	0	121	8	0	0	0	8
Michigan	157	0	0	40	197	157	0	0	85	242	167	0	0	135	302
Ohio	0	0	0	280	280	0	0	0	296	296	0	0	0	260	260
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	0	42	0	42	0	0	64	0	64	0	0	28	0	28
Kansas	4	0	122	40	166	4	0	93	43	140	3	0	113	45	161
Minnesota	0	0	0	108	108	0	0	0	74	74	0	0	0	131	131
Missouri	23	0	0	83	106	3	0	0	76	79	5	0	0	8	13
Nebraska	23	1	275	0	299	24	0	162	0	186	21	0	121	0	142
North Dakota	47	0	42	2	91	17	0	27	25	69	13	0	146	47	206
South Dakota	1	0	34	19	54	0	0	1	14	15	0	0	0	4	4
SOUTHEAST															
Alabama*	0	0	0	0	0	0	0	0	0	0	0	0	0	5	5
Arkansas	0	0	6	0	6	0	0	14	0	14	0	0	8	0	8
Florida	11	0	408	45	464	138	0	238	104	480	105	0	174	96	375
Georgia	0	0	0	340	340	0	0	0	410	410	0	0	0	490	490
Kentucky	0	0	562	0	562	0	0	665	0	665	0	0	361	0	361
Louisiana	5	0	17	67	89	2	2	84	45	133	3	2	42	50	97
Mississippi	7	5	103	97	212	6	10	89	85	190	4	10	80	72	166
North Carolina	10	0	0	41	51	53	0	0	99	152	0	0	0	205	205
South Carolina	69	25	445	595	1,134	14	2	146	133	295	43	5	73	130	251
Tennessee	271	4	36	0	311	440	0	113	0	553	170	0	47	0	217
Virginia	39	0	80	401	520	-36	0	66	478	508	1	0	95	746	842
West Virginia	1	0	149	55	205	0	0	308	0	308	0	0	308	2	310
SOUTHWEST															
Arizona	29	0	475	0	504	33	0	433	0	466	60	0	450	0	510
New Mexico	0	0	88	106	194	0	0	60	86	146	1	0	73	93	167
Oklahoma	0	11	422	23	456	0	7	291	11	309	0	7	231	11	249
Texas	134	91	2,763	0	2,988	148	90	3,013	0	3,251	150	91	3,386	0	3,627
ROCKY MOUNTAIN															
Colorado	130	0	72	0	202	52	0	75	0	127	50	0	19	0	69
Idaho	12	0	15	0	27	12	0	18	0	30	10	0	24	0	34
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	99	0	0	0	99	51	0	0	0	51	169	0	0	0	169
Wyoming	9	0	1	0	10	9	0	1	0	10	0	0	100	0	100
FAR WEST															
Alaska	0	0	0	0	0	5	0	0	0	5	4	1	20	0	25
California	0	0	0	31	31	0	0	0	17	17	0	0	0	94	94
Hawaii	0	0	0	120	120	0	0	3	163	166	0	0	0	124	124
Nevada	4	0	0	9	13	2	0	6	15	23	9	0	31	6	46
Oregon	0	0	0	29	29	0	0	0	69	69	0	0	0	197	197
Washington	0	0	237	302	539	0	0	142	99	241	0	0	150	169	319
TOTAL	\$1,132	\$139	\$6,599	\$4,777	\$12,647	\$1,257	\$111	\$6,498	\$3,998	\$11,864	\$1,001	\$116	\$6,468	\$4,562	\$12,147
District of Columbia	0	0	0	10	10	0	0	0	12	12					

*See Capital Expenditures Notes for explanation.

TABLE 51
CORRECTIONS CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$21	\$21	\$0	\$0	\$0	\$7	\$7	\$0	\$0	\$0	\$61	\$61
Maine	8	0	0	0	8	1	0	0	0	1	1	0	0	0	1
Massachusetts	0	0	0	55	55	0	0	0	57	57	0	0	0	48	48
New Hampshire	0	0	0	28	28	0	0	0	14	14	0	0	0	2	2
Rhode Island	1	0	4	0	5	1	0	4	0	5	0	0	10	0	10
Vermont	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MID-ATLANTIC															
Delaware	0	0	0	4	4	0	0	0	6	6	0	0	0	4	4
Maryland	0	0	0	26	26	0	0	0	9	9	0	0	0	13	13
New Jersey	13	1	0	0	14	8	6	1	0	15	7	0	0	0	7
New York	0	0	32	271	303	0	0	8	348	356	0	0	119	251	370
Pennsylvania	0	0	0	145	145	0	0	0	29	29	0	0	0	32	32
GREAT LAKES															
Illinois	0	0	0	12	12	0	0	0	22	22	0	0	0	23	23
Indiana	37	0	10	0	47	48	0	15	0	63	70	0	11	0	81
Michigan	18	0	0	0	18	19	0	0	0	19	20	0	0	1	21
Ohio	0	0	0	77	77	0	0	0	83	83	0	0	0	110	110
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	0	2	0	2	0	0	0	0	0	0	0	0	0	0
Kansas	1	0	5	5	11	1	0	6	4	11	0	0	7	4	11
Minnesota	0	0	0	4	4	0	0	0	4	4	0	0	0	18	18
Missouri	0	0	0	2	2	0	0	0	9	9	0	0	0	2	2
Nebraska	1	0	5	0	6	0	0	12	0	12	0	0	14	0	14
North Dakota	3	0	0	0	3	2	0	0	0	2	2	0	0	0	2
South Dakota	1	0	0	0	1	6	0	0	0	6	1	0	0	0	1
SOUTHEAST															
Alabama	0	0	2	0	2	0	0	7	0	7	1	0	4	0	5
Arkansas	0	0	15	0	15	0	0	7	0	7	0	0	6	0	6
Florida	22	0	0	0	22	45	0	0	0	45	8	0	0	0	8
Georgia	0	0	0	67	67	0	0	0	89	89	0	0	0	10	10
Kentucky	0	0	4	0	4	0	0	3	0	3	0	0	4	0	4
Louisiana	0	0	0	1	1	0	0	1	5	6	0	0	1	3	4
Mississippi	4	0	0	0	4	1	0	0	0	1	1	0	0	0	1
North Carolina	6	6	0	2	14	9	0	0	3	12	10	0	0	3	13
South Carolina	5	0	1	0	6	7	0	3	0	10	12	0	1	0	13
Tennessee	0	0	14	0	14	0	0	37	0	37	0	0	0	0	0
Virginia	0	0	0	24	24	1	0	0	26	27	0	0	0	27	27
West Virginia	5	0	0	0	5	2	0	0	0	2	2	0	0	0	2
SOUTHWEST															
Arizona	0	0	7	0	7	0	0	7	0	7	0	0	5	0	5
New Mexico	0	0	2	9	11	1	0	2	6	9	1	0	2	6	9
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	17	0	44	1	62	23	0	29	0	52	14	0	28	0	42
ROCKY MOUNTAIN															
Colorado	15	0	0	0	15	13	0	0	0	13	9	0	0	0	9
Idaho	4	0	4	0	8	3	0	3	0	6	1	0	2	0	3
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	113	0	0	0	113
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST															
Alaska	3	0	0	0	3	0	0	0	0	0	0	0	1	0	1
California	83	0	0	0	83	50	0	0	0	50	36	0	0	0	36
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	13	13	0	0	0	20	20	0	0	0	24	24
Oregon	0	0	0	38	38	0	0	0	11	11	0	0	0	22	22
Washington	0	0	0	91	91	0	0	0	6	6	0	0	0	27	27
TOTAL	\$247	\$7	\$151	\$896	\$1,301	\$241	\$6	\$145	\$758	\$1,150	\$309	\$0	\$215	\$691	\$1,215
District of Columbia	0	0	1	2	3	0	0	0	3	3					

TABLE 52

TRANSPORTATION CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$491	\$14	\$1,273	\$1,778	\$0	\$478	\$12	\$897	\$1,387	\$0	\$482	\$17	\$1,224	\$1,723
Maine	0	148	122	90	360	0	143	100	67	310	0	124	77	103	304
Massachusetts	0	608	0	1,287	1,895	0	616	0	1,273	1,889	0	622	0	1,248	1,870
New Hampshire	0	12	269	14	295	0	12	311	9	332	0	10	277	10	297
Rhode Island	0	148	44	36	228	0	135	56	125	316	0	152	133	183	468
Vermont	0	222	56	0	278	0	221	54	0	275	0	215	64	1	280
MID-ATLANTIC															
Delaware	0	217	217	129	563	0	347	234	3	584	0	292	312	12	616
Maryland	0	783	1,775	0	2,558	0	814	1,597	0	2,411	0	984	1,639	0	2,623
New Jersey	1,276	1,542	388	1,735	4,941	1,275	1,582	424	1,756	5,037	1,349	1,668	847	2,050	5,914
New York	0	2,013	1,782	1,559	5,354	0	1,601	1,911	1,340	4,852	0	1,622	1,415	2,403	5,440
Pennsylvania	961	0	0	1,243	2,204	2,918	0	0	196	3,114	2,259	0	0	203	2,462
GREAT LAKES															
Illinois	0	89	2,210	770	3,069	0	80	2,166	289	2,535	0	81	1,936	298	2,315
Indiana	0	0	13	0	13	0	0	18	0	18	0	0	15	0	15
Michigan	0	1,178	206	1	1,385	0	1,038	426	0	1,464	0	1,236	500	4	1,740
Ohio	0	1,260	876	338	2,474	0	1,180	711	391	2,282	0	1,212	664	513	2,389
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	470	724	0	1,194	0	451	821	0	1,272	0	438	501	0	939
Kansas	10	477	0	107	594	10	192	83	108	393	0	315	124	117	556
Minnesota	0	0	0	263	263	0	0	0	134	134	0	0	0	219	219
Missouri	8	0	0	0	8	0	0	0	0	0	5	0	0	0	5
Nebraska	0	322	456	0	778	0	313	444	0	757	0	345	441	0	786
North Dakota	0	247	355	0	602	0	203	218	0	421	0	256	146	0	402
South Dakota	0	0	23	0	23	0	0	20	0	20	0	0	22	0	22
SOUTHEAST															
Alabama	0	228	128	314	670	0	234	98	395	727	0	302	144	223	669
Arkansas	0	468	722	0	1,190	0	498	622	0	1,120	0	278	657	0	935
Florida	3	2,281	5,721	398	8,403	0	2,581	5,496	275	8,352	0	2,288	7,413	349	10,050
Georgia	836	1,144	380	115	2,475	796	1,189	315	110	2,410	1,104	1,279	56	112	2,551
Kentucky	0	0	22	0	22	0	0	17	0	17	0	0	13	0	13
Louisiana	3	593	215	129	940	14	588	181	93	876	6	636	162	60	864
Mississippi	0	309	349	122	780	0	0	0	91	91	0	0	0	127	127
North Carolina	0	1,134	1,898	431	3,463	0	1,372	2,494	110	3,976	0	1,418	3,010	75	4,503
South Carolina	9	0	4	9	22	8	0	5	15	28	1	0	0	0	1
Tennessee	0	874	415	0	1,289	0	913	501	0	1,414	0	1,084	634	0	1,718
Virginia	0	0	51	123	174	0	0	98	68	166	0	0	82	118	200
West Virginia	2	550	210	0	762	2	505	719	0	1,226	3	483	331	0	817
SOUTHWEST															
Arizona	0	503	107	131	741	2	540	208	42	792	2	572	200	60	834
New Mexico	0	368	7	11	386	0	387	225	30	642	25	406	230	23	684
Oklahoma	0	463	675	95	1,233	0	441	643	90	1,174	0	399	573	85	1,057
Texas	0	3,408	1,935	852	6,195	0	3,820	858	863	5,541	0	4,431	1,051	447	5,929
ROCKY MOUNTAIN															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	163	135	0	298	0	226	196	0	422	0	491	418	0	909
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	3	359	665	0	1,027	0	369	577	332	1,278	0	333	960	150	1,443
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST															
Alaska	57	1,215	96	0	1,368	73	1,078	73	0	1,224	36	909	86	0	1,031
California	0	2,199	1,033	261	3,493	0	1,819	502	207	2,528	0	2,260	1,856	245	4,361
Hawaii	0	121	195	42	358	0	163	197	329	689	0	264	177	346	787
Nevada	0	294	247	180	721	0	309	243	220	772	0	294	297	112	703
Oregon	0	1	0	20	21	0	4	0	13	17	0	2	0	8	10
Washington	0	600	899	398	1,897	0	513	795	297	1,605	0	430	845	230	1,505
TOTAL	\$3,168	\$27,502	\$25,639	\$12,476	\$68,785	\$5,098	\$26,955	\$24,669	\$10,168	\$66,890	\$4,790	\$28,613	\$28,325	\$11,358	\$73,086
District of Columbia	0	201	108	196	505	0	240	86	316	642					

TABLE 53
HOUSING CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$144	\$144	\$0	\$0	\$0	\$167	\$167	\$0	\$0	\$0	\$217	\$217
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	214	214	0	0	0	242	242	0	0	0	253	253
New Hampshire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rhode Island	0	0	0	3	3	0	0	0	3	3	0	0	0	7	7
Vermont	0	0	0	2	2	0	0	0	2	2	0	0	0	2	2
MID-ATLANTIC															
Delaware	0	0	0	16	16	0	0	0	10	10	0	0	0	6	6
Maryland	51	16	44	7	118	0	16	35	84	135	9	16	33	95	153
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	35	96	131	0	0	175	104	279	0	0	83	189	272
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GREAT LAKES															
Illinois	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	0	0	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
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	10	10	0	0	0	0	0	0	0	0	1	1
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SOUTHEAST															
Alabama	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SOUTHWEST															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	42	0	14	56	0	42	0	15	57	0	42	0	15	57
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	16	3	124	143	0	21	2	85	108	0	16	1	135	152
ROCKY MOUNTAIN															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST															
Alaska	15	17	5	0	37	19	22	3	0	44	26	19	2	0	47
California	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	0	0	11	11	0	0	0	23	23
Washington	0	0	1	55	56	0	0	2	42	44	0	0	5	55	60
TOTAL	\$66	\$91	\$88	\$685	\$930	\$19	\$101	\$217	\$765	\$1,102	\$35	\$93	\$124	\$998	\$1,250
District of Columbia	0	1	124	0	125	0	0	154	0	154					

*See Capital Expenditures Notes for explanation.

TABLE 54

ENVIRONMENTAL PROJECTS CAPITAL EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$39	\$39	\$0	\$0	\$0	\$338	\$338	\$0	\$0	\$0	\$453	\$453
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	202	202	0	0	0	217	217	0	0	0	210	210
New Hampshire	0	0	0	6	6	0	0	0	9	9	0	0	0	5	5
Rhode Island	0	3	8	9	20	0	4	6	16	26	0	6	8	19	33
Vermont	0	0	0	11	11	0	0	0	20	20	0	0	0	20	20
MID-ATLANTIC															
Delaware	0	0	0	14	14	0	0	0	14	14	0	0	0	14	14
Maryland	1	53	309	65	428	1	46	342	410	799	0	49	442	208	699
New Jersey	120	132	9	185	446	111	243	17	248	619	107	0	0	0	107
New York	0	218	328	298	844	0	163	332	342	837	0	237	396	427	1,060
Pennsylvania	0	0	0	50	50	0	0	0	10	10	0	0	0	17	17
GREAT LAKES															
Illinois	0	0	744	10	754	0	0	720	14	734	0	0	661	21	682
Indiana	29	0	2	0	31	45	0	3	0	48	8	0	3	0	11
Michigan	5	11	60	23	99	16	11	76	29	132	15	22	171	26	234
Ohio	0	0	0	125	125	0	0	0	125	125	0	0	0	124	124
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	0	15	0	15	0	0	15	0	15	0	0	28	0	28
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	4	4	0	0	0	49	49	0	0	0	72	72
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	8	4	28	0	40	2	1	24	0	27	2	8	18	0	28
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SOUTHEAST															
Alabama*	0	0	41	0	41	0	0	30	0	30	0	0	10	0	10
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida	190	317	776	178	1,461	229	270	687	172	1,358	99	336	861	177	1,473
Georgia	0	0	0	15	15	0	0	0	8	8	0	0	0	16	16
Kentucky	0	0	19	0	19	0	0	3	0	3	0	0	8	0	8
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	8	10	4	22	0	23	5	3	31	0	10	2	5	17
North Carolina	10	54	0	10	74	14	58	0	0	72	0	0	0	0	0
South Carolina	1	3	9	0	13	0	2	1	0	3	2	2	3	0	7
Tennessee	52	0	0	0	52	58	0	1	0	59	0	1	8	0	9
Virginia	1	5	2	13	21	2	13	2	12	29	0	6	7	10	23
West Virginia	0	0	0	0	0	0	1	0	0	1	0	1	0	0	1
SOUTHWEST															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	1	48	31	66	146	6	33	21	46	106	1	45	13	52	111
Oklahoma	0	25	67	0	92	0	17	53	1	71	0	17	238	0	255
Texas	4	0	13	0	17	4	0	9	0	13	4	0	17	0	21
ROCKY MOUNTAIN															
Colorado	0	0	3	0	3	0	0	24	0	24	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAR WEST															
Alaska	13	68	7	0	88	12	61	6	0	79	28	86	30	0	144
California	0	0	0	0	0	0	0	154	0	154	0	0	0	0	0
Hawaii	0	0	0	14	14	0	0	0	17	17	0	0	0	16	16
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	27	27	0	0	0	27	27	0	0	0	28	28
Washington	0	69	259	159	487	0	45	173	159	377	0	62	138	244	444
TOTAL	\$435	\$1,018	\$2,740	\$1,527	\$5,720	\$500	\$991	\$2,704	\$2,286	\$6,481	\$266	\$888	\$3,062	\$2,164	\$6,380
District of Columbia	0	3	2	10	15	0	7	2	8	17					

*See Capital Expenditures Notes for explanation.

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

Region/State	Actual Fiscal 2017					Actual Fiscal 2018					Estimated Fiscal 2019				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
NEW ENGLAND															
Connecticut	\$0	\$0	\$0	\$862	\$862	\$0	\$0	\$0	\$930	\$930	\$0	\$0	\$0	\$616	\$616
Maine	4	21	8	4	37	5	11	7	2	25	9	10	7	5	31
Massachusetts	0	0	0	633	633	0	0	0	661	661	0	0	0	691	691
New Hampshire	0	24	0	34	58	0	26	0	21	47	0	37	0	60	97
Rhode Island	4	60	58	24	146	3	40	64	23	130	4	24	93	43	164
Vermont	0	0	0	31	31	0	0	0	35	35	0	0	0	58	58
MID-ATLANTIC															
Delaware	0	0	0	219	219	0	0	0	88	88	0	0	0	53	53
Maryland	11	4	1	281	297	0	44	1	198	243	32	5	1	261	299
New Jersey	241	24	13	246	524	254	29	26	136	445	268	15	1	0	284
New York	0	95	1,054	1,525	2,674	0	91	1,306	1,820	3,217	0	85	1,417	2,490	3,992
Pennsylvania	134	0	0	595	729	49	0	0	203	252	44	0	0	181	225
GREAT LAKES															
Illinois	0	0	11	7	18	0	0	0	73	73	0	0	0	158	158
Indiana	178	0	21	0	199	179	0	28	0	207	153	0	16	0	169
Michigan	57	5	11	2	75	64	5	0	31	100	84	14	20	26	144
Ohio	0	4	55	306	365	0	3	51	344	398	0	9	62	312	383
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLAINS															
Iowa	0	30	25	3	58	0	23	19	6	48	0	14	55	6	75
Kansas	16	15	24	2	57	26	16	39	3	84	34	41	36	6	117
Minnesota	0	0	0	249	249	0	0	0	147	147	0	0	0	167	167
Missouri	3	9	62	78	152	29	14	32	102	177	85	18	36	79	218
Nebraska	3	34	54	0	91	0	30	56	0	86	4	14	53	0	71
North Dakota	80	6	38	0	124	8	2	5	0	15	11	13	11	0	35
South Dakota	6	28	20	1	55	2	19	15	6	42	3	9	12	28	52
SOUTHEAST															
Alabama*	1	0	11	86	98	0	0	2	167	169	0	0	10	36	46
Arkansas	0	3	49	5	57	0	0	46	5	51	0	0	51	5	56
Florida	169	0	369	1,046	1,584	124	0	301	1,011	1,436	263	0	252	1,030	1,545
Georgia	0	0	0	163	163	0	0	0	297	297	0	0	0	251	251
Kentucky	0	0	163	0	163	0	0	243	0	243	0	0	265	0	265
Louisiana	3	3	104	107	217	3	10	10	149	172	10	9	37	54	110
Mississippi	6	5	102	896	1,009	7	4	174	482	667	8	29	238	694	969
North Carolina	1	0	0	64	65	78	0	0	36	114	0	0	0	110	110
South Carolina	25	9	79	13	126	218	11	36	27	292	9	6	30	17	62
Tennessee	97	9	15	0	121	49	7	14	0	70	20	3	60	31	114
Virginia	0	23	18	75	116	0	24	27	68	119	1	14	4	98	117
West Virginia	17	13	85	0	115	11	11	90	0	112	8	13	95	0	116
SOUTHWEST															
Arizona	18	0	27	0	45	6	0	10	0	16	5	0	41	0	46
New Mexico	0	12	34	212	258	20	17	20	85	142	5	19	20	14	58
Oklahoma	2	37	141	148	328	2	30	71	119	222	3	10	28	201	242
Texas	0	0	409	0	409	0	0	801	0	801	0	0	1,096	0	1,096
ROCKY MOUNTAIN															
Colorado	74	0	34	0	108	78	0	29	0	107	66	0	72	0	138
Idaho	11	3	133	0	147	14	33	171	0	218	11	91	237	0	339
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	246	20	666	0	932	193	18	478	0	689	169	21	457	0	647
Wyoming	4	4	5	0	13	4	3	5	0	12	162	68	177	0	407
FAR WEST															
Alaska	26	35	29	0	90	46	28	60	0	134	60	117	100	0	277
California	221	18	-58	274	455	46	39	92	389	566	1,063	81	-656	570	1,058
Hawaii	27	19	46	506	598	73	36	26	622	757	13	39	12	535	599
Nevada	2	10	4	21	37	13	7	0	26	46	22	9	2	38	71
Oregon	0	10	0	24	34	0	17	0	32	49	0	3	0	45	48
Washington	0	35	183	25	243	0	8	54	150	212	0	28	73	218	319
TOTAL*	\$1,687	\$627	\$4,103	\$8,767	\$15,184	\$1,604	\$656	\$4,409	\$8,494	\$15,163	\$2,629	\$868	\$4,521	\$9,187	\$17,205
District of Columbia	0	22	25	246	293	0	9	37	376	422					

*See Capital Expenditures Notes for explanation.

Capital Spending Notes

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

Arkansas: Fiscal 2018 Amounts were modified to reflect actual final funding and were previously based on estimates.

California: The negative amounts for Other State Funds in Fiscal 2017 and Fiscal 2019 include transfers from the General Fund to the State Project Infrastructure Fund.

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

Florida: Regarding Housing, Florida also provided housing grants of \$60 million from other state funds in 2017, \$37 million from other state funds in 2018, and \$79 million from other state funds in 2019.

Massachusetts: Includes all spending funded by capital appropriations, including General Obligation, Special Obligation, project financed, and federal reimbursement spending. Functional categories are based in the Massachusetts Management Accounting and Reporting System so may not align with investment categories in the Commonwealth's capital investment plan.

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

9

CHAPTER



REVENUE SOURCES IN THE GENERAL FUND

Revenue Sources in the General Fund

General fund revenue, the largest source of state expenditures and the most discretionary, totaled an estimated \$878.2 billion in fiscal 2019, a 4.2 percent increase over fiscal 2018. In fiscal 2018, general fund revenues grew 6.9 percent, representing the highest annual growth rate since fiscal 2011. The three main sources of general fund revenue – personal income taxes, sales and use taxes, and corporate income taxes – accounted for 81.5 percent of state general fund collections in estimated fiscal 2019. Specifically, personal income taxes accounted for 44.9 percent, sales and use taxes for 30.1 percent, and corporate income taxes for 6.5 percent of total general fund revenues in fiscal 2019. All Other general fund revenue represented 17.5 percent of revenues, while gaming and lottery revenue were just 1.0 percent. The major sources of general fund revenues are displayed by state in Table 56, year-over-year revenue percentage changes can be found in Table 57.

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

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

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

State Tax Collection Trends

For the second consecutive year, states are estimated to have experienced strong growth in tax collections in fiscal 2019. The notable increases in fiscal 2018 and fiscal 2019 followed

two years of slow growth from tax collections in fiscal 2016 and fiscal 2017. The three largest sources of general fund revenue collections (personal income, sales, and corporate income) all are estimated to have grown in both fiscal 2018 and fiscal 2019. The gains in personal income taxes have largely been driven by higher collections from non-wage income (capital gains, dividends, and bonuses), while the payroll withholding component has also grown. The growth in sales tax collections has been led by gains in consumption with some states also attributing part of the fiscal 2019 growth to expanded online sales tax collections. Increases in corporate income taxes, typically a volatile revenue source for states, may in part be due to changes from the federal *Tax Cut and Jobs Act* (TCJA). The TCJA also likely altered the timing of some tax collections during both fiscal 2018 and fiscal 2019. In fiscal 2018, states saw an acceleration of non-withholding income tax payments as taxpayers tried to take advantage of expiring tax breaks. While in fiscal 2019, changes in taxpayer behavior following federal tax reform altered the timing of estimated state personal income tax payments, with some states noting that certain taxpayers no longer had an incentive to pay in December and instead made higher payments with their tax returns in the spring.

In fiscal 2019, corporate income taxes are estimated to have their largest yearly growth rate since fiscal 2011 at 17.1 percent, followed by gaming and lottery revenue (5.8 percent), sales taxes (3.5 percent), personal income taxes (3.1 percent), and all other general fund revenue (3.9). On a median basis, corporate income taxes once again experienced the largest gains at 16.0 percent, followed by personal income taxes (5.5 percent), sales taxes (4.5 percent), gaming and lottery revenue (3.3 percent), and all other general fund revenue (2.0 percent). Due to the uptick in tax collections in fiscal 2019, the vast majority of states are expected to meet or exceed original revenue projections.

Personal income taxes experienced the strongest gains in fiscal 2018, growing 10.3 percent. Both corporate income taxes and sales taxes also rose in fiscal 2018, increasing 8.7 percent and 4.0 percent respectively. Gaming and lottery revenue, on the other hand, declined 8.0 percent, while all other general fund revenue increased 4.1 percent. On a median basis, corporate income tax collections experienced the largest gains at 8.3 percent, followed by personal income taxes (8.0 percent), sales taxes (4.0 percent), all other general fund revenue (2.4 percent), and gaming and lottery revenue (1.9 percent). According to NASBO’s *Fall 2018 Fiscal Survey of States*, 40

states saw revenues come in above original projections in fiscal 2018, while in 8 states revenues were on target, and in 2 states revenues were below projections.

The revenue surpluses that occurred in many states in fiscal years 2018 and 2019 were not known until the latter part of each fiscal year. The revenue gains near the end of the fiscal year were the primary factor in most states ending each fiscal year with a general fund surplus. One of the most prominent uses of revenue surpluses is to deposit some or all of it into the state's rainy-day fund. The upcoming NASBO *Fall 2019 Fiscal Survey of States* will report on the growing balances in state rainy day funds. The higher revenue collections in fiscal 2018 also resulted in most states revising their fiscal 2019 revenue forecasts upward.

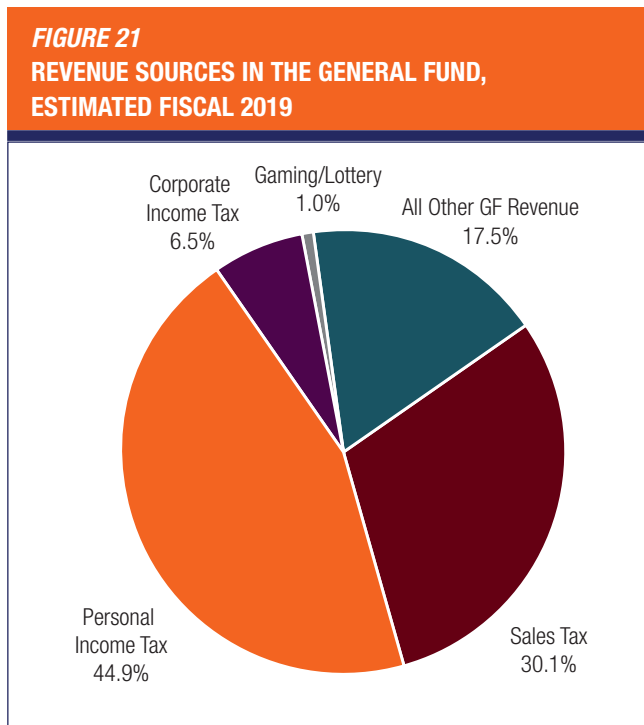


TABLE 56
REVENUE SOURCES IN THE GENERAL FUND (\$ IN MILLIONS)

Region/state	Actual Fiscal 2017						Actual Fiscal 2018						Estimated Fiscal 2019					
	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	Other GF Revenue	All Total	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	Other GF Revenue	All Total	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	Other GF Revenue	All Total
NEW ENGLAND																		
Connecticut*	\$4,192	\$8,989	\$1,038	\$599	\$2,886	\$17,703	\$4,202	\$10,770	\$921	\$612	\$1,693	\$18,199	\$4,331	\$9,570	\$1,060	\$619	\$3,955	\$19,536
Maine	1,398	1,524	175	58	300	3,455	1,483	1,595	186	62	262	3,588	1,561	1,705	245	59	264	3,834
Massachusetts*	4,402	14,684	2,197	1,189	7,838	30,309	4,598	16,240	2,392	1,155	8,058	32,442	4,852	17,109	2,525	1,301	9,160	34,947
New Hampshire	0	0	444	0	1,085	1,529	0	0	481	0	1,115	1,596	0	0	484	0	1,137	1,621
Rhode Island	998	1,244	119	364	959	3,684	1,057	1,345	128	366	1,012	3,908	1,118	1,384	165	401	951	4,019
Vermont*	245	756	96	0	360	1,457	259	832	96	0	372	1,559	0	875	134	0	602	1,611
MID-ATLANTIC																		
Delaware	0	1,333	121	0	2,559	4,013	0	1,428	90	0	2,875	4,393	0	1,527	148	0	2,917	4,592
Maryland*	4,539	9,019	796	484	1,860	16,698	4,646	9,508	820	550	1,848	17,372	4,863	10,065	958	544	1,552	17,982
New Jersey*	9,592	13,958	2,144	1,005	7,504	34,203	10,459	15,038	2,484	0	7,870	35,851	10,853	15,912	4,364	10	7,174	38,313
New York*	12,026	42,810	4,761	16	7,282	66,895	12,637	46,946	4,916	15	6,906	71,420	12,856	42,967	5,501	15	9,205	70,544
Pennsylvania	10,004	12,664	2,751	121	6,129	31,669	10,381	13,399	2,879	123	7,785	34,567	11,103	13,855	3,343	150	5,949	34,400
GREAT LAKES																		
Illinois	8,043	13,661	1,332	990	6,307	30,333	7,810	17,725	2,017	991	8,400	36,943	8,409	19,236	2,389	1,000	8,161	39,195
Indiana	7,490	5,435	979	432	939	15,275	7,663	5,816	660	442	990	15,571	7,915	6,057	948	443	1,043	16,406
Michigan	1,457	6,594	420	0	1,703	10,174	1,597	7,130	372	0	1,698	10,797	1,560	7,119	514	0	1,192	10,384
Ohio*	10,615	7,606	1,300	0	14,657	34,178	10,148	8,411	1,525	0	12,387	32,471	10,573	8,910	1,632	0	12,652	33,768
Wisconsin	5,224	8,040	921	0	1,333	15,518	5,448	8,479	894	0	1,323	16,144	5,696	8,994	1,338	0	1,313	17,341
PLAINS																		
Iowa*	2,331	3,641	432	78	758	7,240	2,386	3,885	443	84	586	7,384	2,522	3,996	517	90	609	7,734
Kansas	2,671	2,304	325	0	1,039	6,339	2,748	3,374	392	0	784	7,298	2,767	3,756	437	0	408	7,368
Minnesota	5,405	10,931	1,205	64	3,446	21,052	5,453	11,784	1,315	66	3,444	22,062	5,671	11,965	1,524	64	3,533	22,757
Missouri	2,111	6,240	276	0	389	9,016	2,174	6,600	300	0	395	9,469	2,198	6,664	348	0	357	9,567
Nebraska	1,548	2,225	264	1	228	4,266	1,603	2,360	313	1	290	4,567	1,658	2,546	424	1	267	4,896
North Dakota	908	313	69	9	1,107	2,406	944	364	92	10	940	2,350	1,079	414	148	13	905	2,559
South Dakota	951	0	0	113	506	1,570	989	0	0	118	509	1,616	1,025	0	0	125	524	1,674
SOUTHEAST																		
Alabama*	2,328	3,511	382	1	1,991	8,213	2,471	3,822	386	1	2,070	8,750	2,595	4,082	417	1	1,942	9,037
Arkansas*	2,338	3,215	434	63	503	6,552	2,418	3,360	407	67	476	6,727	2,497	3,445	408	69	499	6,918
Florida	22,987	0	2,366	139	4,102	29,594	24,139	0	2,413	357	4,310	31,219	25,315	0	2,754	336	4,501	32,906
Georgia	5,716	10,978	972	0	5,602	23,268	5,946	11,644	1,004	0	5,726	24,320	6,209	12,304	1,078	0	5,732	25,323
Kentucky	3,485	4,394	743	249	1,607	10,478	3,606	4,604	749	261	1,618	10,838	3,938	4,545	763	279	1,868	11,393
Louisiana	4,284	2,960	388	410	1,385	9,427	4,317	3,269	478	414	1,410	9,886	3,828	3,445	400	409	1,472	9,554
Mississippi	2,289	1,782	564	133	886	5,654	2,340	1,827	572	136	816	5,692	2,439	1,853	571	142	775	5,781
North Carolina	6,998	11,970	748	0	2,898	22,614	7,337	12,518	739	0	2,971	23,565	7,751	13,166	830	0	3,079	24,827
South Carolina	2,896	4,108	320	0	835	8,159	3,034	4,398	375	0	899	8,706	3,186	4,714	494	0	1,009	9,403
Tennessee*	8,063	165	1,455	0	4,167	13,850	8,294	165	1,407	0	4,428	14,294	8,532	102	1,446	0	4,298	14,378
Virginia	3,387	12,914	794	0	1,466	18,561	3,458	13,492	874	0	1,504	19,328	3,591	14,422	1,012	0	1,504	20,529
West Virginia	1,222	1,814	116	0	1,014	4,166	1,247	1,920	110	0	968	4,245	1,370	2,097	198	0	1,091	4,756
SOUTHWEST																		
Arizona	4,506	4,131	368	79	419	9,503	4,787	4,544	373	68	337	10,109	5,097	4,916	514	83	614	11,224
New Mexico	2,062	1,381	70	60	2,313	5,885	2,437	1,519	106	64	2,756	6,882	2,736	1,564	110	64	3,199	7,673
Oklahoma	2,038	2,017	131	16	842	5,044	2,369	2,232	193	17	1,043	5,854	2,443	2,426	242	18	1,731	6,860
Texas	28,797	0	0	1,201	22,287	52,285	30,889	0	0	1,385	24,880	57,154	29,839	0	0	1,523	26,506	57,868
ROCKY MOUNTAIN																		
Colorado	3,085	6,761	509	0	460	10,815	3,404	7,577	782	0	578	12,341	3,592	8,247	920	0	504	13,263
Idaho	1,382	1,651	214	0	200	3,448	1,490	1,828	239	0	175	3,732	1,576	1,774	223	0	178	3,751
Montana	60	1,168	134	70	710	2,141	60	1,298	167	71	810	2,405	65	1,429	187	75	818	2,574
Utah	1,857	3,609	328	0	527	6,321	2,019	3,999	448	0	573	7,039	2,130	4,161	543	0	607	7,441
Wyoming	432	0	0	0	766	1,198	442	0	0	0	637	1,079	442	0	0	0	637	1,079
FAR WEST																		
Alaska	0	0	27	11	1,316	1,354	0	0	120	11	2,283	2,414	0	0	120	12	2,551	2,683
California*	24,874	83,264	11,020	227	597	119,982	24,974	93,776	12,313	32	21	131,116	26,100	98,304	13,774	5	-137	138,046
Hawaii*	3,239	2,192	77	0	1,844	7,352	3,396	2,430	131	0	1,704	7,661	3,541	2,568	164	0	1,644	7,917
Nevada	1,134	0	0	718	2,029	3,881	1,189	0	0	711	2,118	4,018	1,282	0	0	813	2,162	4,257
Oregon	0	8,441	608	0	761	9,810	0	8,873	723	0	633	10,228	0	9,790	856	0	706	11,352
Washington*	10,133	0	0	0	9,606	19,739	10,925	0	0	0	10,787	21,712	11,867	0	0	0	10,463	22,330
ALL STATES	\$245,743	\$346,395	\$44,934	\$8,899	\$142,306	\$788,277	\$255,673	\$382,121	\$48,823	\$8,190	\$148,072	\$842,880	\$264,571	\$393,981	\$57,168	\$8,664	\$153,785	\$878,168
District of Columbia	1,233	1,958	554	46	3,687	7,478	1,285	2,067	575	50	37,82	7,759	1,122	2,201	588	45	3,955	7,911

*See Revenue Sources in the General Fund Notes for explanation.

TABLE 57
REVENUE SOURCES IN THE GENERAL FUND (YEAR-OVER-YEAR PERCENTAGE CHANGE)

Region/state	Actual Fiscal 2018						Estimated Fiscal 2019					
	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	All Other GF Revenue	Total	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	All Other GF Revenue	Total
NEW ENGLAND												
Connecticut	0.2%	19.8%	-11.3%	2.3%	-41.3%	2.8%	3.1%	-11.1%	15.1%	1.1%	133.6%	7.3%
Maine	6.1	4.7	6.0		-12.7	3.8	5.3	6.9	31.8		0.8	6.9
Massachusetts	4.5	10.6	8.9	-2.9	2.8	7.0	5.5	5.4	5.5	12.6	13.7	7.7
New Hampshire			8.3		2.8	4.4			0.6		2.0	1.6
Rhode Island	5.9	8.1	7.6	0.5	5.5	6.1	5.8	2.9	28.9	9.6	-6.0	2.8
Vermont	5.7	10.1	0.0		3.3	7.0	-100.0	5.2	39.6		61.8	3.3
MID-ATLANTIC												
Delaware		7.1	-25.6		12.3	9.5		6.9	64.4		1.5	4.5
Maryland	2.4	5.4	3.0		-0.6	4.0	4.7	5.9	16.8		-16.0	3.5
New Jersey	9.0	7.7	15.9	-100.0	4.9	4.8	3.8	5.8	75.7		-8.8	6.9
New York	5.1	9.7	3.3	-6.3	-5.2	6.8	1.7	-8.5	11.9	0.0	33.3	-1.2
Pennsylvania	3.8	5.8	4.7	1.7	27.0	9.2	7.0	3.4	16.1	22.0	-23.6	-0.5
GREAT LAKES												
Illinois	-2.9	29.7	51.4	0.1	33.2	21.8	7.7	8.5	18.4	0.9	-2.8	6.1
Indiana	2.3	7.0	-32.6	2.3	5.4	1.9	3.3	4.1	43.6	0.2	5.4	5.4
Michigan	9.6	8.1	-11.5		-0.3	6.1	-2.3	-0.2	38.1		-29.8	-3.8
Ohio	-4.4	10.6	17.3		-15.5	-5.0	4.2	5.9	7.0		2.1	4.0
Wisconsin	4.3	5.5	-2.9		-0.8	4.0	4.6	6.1	49.7		-0.8	7.4
PLAINS												
Iowa	2.4	6.7	2.5		-22.7	2.0	5.7	2.9	16.7		3.9	4.7
Kansas	2.9	46.4	20.6		-24.5	15.1	0.7	11.3	11.5		-48.0	1.0
Minnesota	0.9	7.8	9.1	3.9	-0.1	4.8	4.0	1.5	15.9	-3.5	2.6	3.2
Missouri	3.0	5.8	8.7		1.5	5.0	1.1	1.0	16.0		-9.6	1.0
Nebraska	3.6	6.1	18.6		27.2	7.1	3.4	7.9	35.5		-7.9	7.2
North Dakota	4.0	16.3	33.3	11.1	-15.1	-2.3	14.3	13.7	60.9	30.0	-3.7	8.9
South Dakota	4.0			4.4	0.6	2.9	3.6			5.9	2.9	3.6
SOUTHEAST												
Alabama	6.1	8.9	1.0	0.0	4.0	6.5	5.0	6.8	8.0	0.0	-6.2	3.3
Arkansas	3.4	4.5	-6.2	6.4	-5.3	2.7	3.3	2.5	0.3	3.3	4.7	2.8
Florida	5.0		2.0	156.8	5.1	5.5	4.9		14.1	-5.9	4.4	5.4
Georgia	4.0	6.1	3.3		2.2	4.5	4.4	5.7	7.4		0.1	4.1
Kentucky	3.5	4.8	0.8		0.7	3.4	9.2	-1.3	1.9		15.5	5.1
Louisiana	0.8	10.4	23.0	0.9	1.8	4.9	-11.3	5.4	-16.2	-1.3	4.4	-3.4
Mississippi	2.2	2.5	1.5	2.5	-7.9	0.7	4.2	1.5	-0.2	4.0	-5.0	1.6
North Carolina	4.8	4.6	-1.2		2.5	4.2	5.6	5.2	12.4		3.6	5.4
South Carolina	4.8	7.1	17.2		7.7	6.7	5.0	7.2	31.7		12.2	8.0
Tennessee	2.9	0.0	-3.3		6.3	3.2	2.9	-38.2	2.8		-2.9	0.6
Virginia	2.1	4.5	10.0		2.6	4.1	3.8	6.9	15.8		0.0	6.2
West Virginia	2.0	5.8	-5.2		-4.5	1.9	9.9	9.2	80.0		12.7	12.0
SOUTHWEST												
Arizona	6.2	10.0	1.4		-19.6	6.4	6.5	8.2	37.8		82.2	11.0
New Mexico	18.2	10.0	51.0	7.6	19.2	16.9	12.3	3.0	3.8	0.0	16.1	11.5
Oklahoma	16.2	10.7	47.2	3.8	23.9	16.1	3.1	8.7	25.5	8.4	65.9	17.2
Texas	7.3				11.6	9.3	-3.4				6.5	1.2
ROCKY MOUNTAIN												
Colorado	10.3	12.1	53.6		25.7	14.1	5.5	8.8	17.6		-12.8	7.5
Idaho	7.8	10.7	11.7		-12.9	8.2	5.7	-3.0	-6.7		2.1	0.5
Montana	0.0	11.1	24.7	2.1	14.1	12.3	8.5	10.1	11.6	6.2	1.0	7.0
Utah	8.7	10.8	36.6		8.7	11.4	5.5	4.1	21.2		5.9	5.7
Wyoming	2.3				-16.8	-9.9	0.0				0.0	0.0
FAR WEST												
Alaska			344.4	0.0	73.4	78.2			0.0	9.1	11.8	11.2
California	0.4	12.6	11.7	-85.9	-96.5	9.3	4.5	4.8	11.9	-84.4	-752.4	5.3
Hawaii	4.8	10.9	70.1		-7.6	4.2	4.3	5.7	25.2		-3.5	3.3
Nevada*	4.9			-1.0	4.4	3.5	7.8			14.3	2.1	5.9
Oregon		5.1	18.9		-16.9	4.3		10.3	18.4		11.6	11.0
Washington	7.8				12.3	10.0	8.6				-3.0	2.8
ALL STATES	4.0%	10.3%	8.7%	-8.0%	4.1%	6.9%	3.5%	3.1%	17.1%	5.8%	3.9%	4.2%
MEDIAN	4.0	8.0	8.3	1.9	2.4	4.9	4.5	5.5	16.0	3.3	2.0	4.9

*See Revenue Sources in the General Fund Notes for explanation.

TABLE 58
ITEMS EXCLUDED FROM REVENUE SOURCES

Region/State	Sales and Use Taxes	Personal Income Taxes	Corporate Income Taxes	Gaming Taxes	Lottery Funds	Cigarette and Tobacco Taxes	Motor Fuel Taxes	Alcoholic Beverage Taxes	Insurance Premium Taxes	Property Taxes	Utility Taxes	Severance Taxes	Federal Funds	Licenses and Fees	Other
NEW ENGLAND															
Connecticut	P						X			X		N/A	P		
Maine							X			N/A		N/A	N/A		
Massachusetts	P			P		P				N/A		N/A	P		
New Hampshire	N/A	N/A		X	X		X			X		N/A	X		
Rhode Island							X			N/A		N/A	X		
Vermont*	X			X	X	X	X			P	P	X	X		
MID-ATLANTIC															
Delaware	N/A			N/A			X			X		N/A	N/A		
Maryland				X			P			X		X	X		
New Jersey*				P	X	P		P	P	N/A		N/A	X	P	
New York	P		P		X	P	X		P	N/A	P	N/A	X		
Pennsylvania	P			P	X	P	X		P	P		X	X	P	P
GREAT LAKES															
Illinois					P	P	X			X		X		P	
Indiana					X	P	X	P		X	N/A	N/A	X	P	
Michigan	P	P		X	X	P	X	P		X			P	P	P
Ohio*	P	P	P	X	X		X		P		P	P	P	P	P
Wisconsin				X	X		X			X		X	X	X	N/A
PLAINS															
Iowa				P		X	X			X			X	P	P
Kansas				P	P		X			X	X		X	P	N/A
Minnesota										P	X	P	P		
Missouri	P			X	X	X	X	P	P	X	X	X	P	P	P
Nebraska				N/A	P	P	X		P	X	X	N/A	X	X	
North Dakota							X			X	X		X		
South Dakota		N/A	N/A				X			X	X		X		
SOUTHEAST															
Alabama					N/A	P	X	P	P	P			X	P	
Arkansas	P				X		P			X	X	P	X	P	
Florida		X			X	P	X			X	X		X	P	P
Georgia				N/A	X						N/A	N/A	X	P	
Kentucky							X				N/A		X		
Louisiana				P	X		X		P	N/A	N/A		N/A	P	N/A
Mississippi					N/A		X			N/A			N/A		
North Carolina				X	X		X			N/A			X		
South Carolina				X	X		X			X		X	X		
Tennessee*				N/A	P					N/A					
Virginia				X	X	P				X	X	X		P	
West Virginia				N	P		X				X		X		
SOUTHWEST															
Arizona				X	P	P	X	P		N/A	P	N	P	P	P
New Mexico					X		X			X			X		
Oklahoma	P	P	P	P	X	P	P	P	P	N/A	N/A	P	X	P	P
Texas		N/A	N/A	N/A						N/A		X	X		
ROCKY MOUNTAIN															
Colorado				X	X	P	X			X	X	X	X	P	
Idaho	P			N/A	X	P	X	P	P	N/A		X	X	P	
Montana							X						X		
Utah				N/A	N/A		X			X			X	P	P
Wyoming		X	X												
FAR WEST															
Alaska	X	X			X						X	X	X		
California	P	P		P	X	P	X			X	X	N/A	X	P	P
Hawaii	P			N/A	N/A	P	X		P	N/A	P	N/A	P	P	P
Nevada		N/A	N/A		N/A		N/A			N/A	N/A	N/A	N/A		
Oregon	N/A			X	X	P	X	P		X	X		X		
Washington		N/A	N/A	N/A	X	P	X			P		N/A	X	P	
ALL STATES	17	12	8	30	36	22	41	9	11	43	25	31	46	25	14
District of Columbia				X			X		P	P		N/A	X		

Excluded=X Partially Excluded=P Not Applicable=N/A
*See Revenue Sources in the General Fund Notes for explanation.

Revenue Sources in the General Fund Notes

Alabama: Regarding all other general fund revenue, FY17 includes \$50M in non-recurring BP Settlement funds.

Arkansas: Revenue totals are gross, not net.

California: The negative amount in All Other General Fund Revenue for fiscal 2019 is primarily due to higher estimated General Fund revenue transfers and loans.

Connecticut: Beginning in FY 2016, a portion of the sales and use tax is diverted to the Special Transportation Fund and the Municipal Revenue Sharing Fund.

Hawaii: Revised FY 2018 Actual Individual Income Tax and Corporate Income Tax.

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

Maryland: The fiscal year 2016 GAAP audit of the Local Income Tax Reserve account found that the account was over-funded by \$47.4 million; this revenue is recognized in "All Other General Fund" revenue in FY 2017. In general, Casino revenues are not directed to the General Fund. However, the Budget Reconciliation and Financing Act of the 2017 Legislative Session directed \$15.3 million of Casino revenues to the General Fund in FY 2018; this revenue is recognized in the "Gaming/Lottery Revenue" category. Per statute, property taxes are not included in general fund revenues. However, the State reverted \$62.8 million and \$46 million of the Transfer Tax to the general fund in FY 2017 and FY 2018 as part of the budget balancing plan. FY 2019 All Other General Fund Revenue includes a \$200 million transfer to the State's Excellence in Education Fund to save for expected Education increases related to the Commission on Innovation and Excellence in Education Fund.

Massachusetts: Sales and Use Taxes are net of transfers to MBTA and MSBA.

New Jersey: In FY 2018, the Lottery Enterprise Contribution Act authorized the contribution of the Lottery Enterprise to the Teacher's Pension and Annuity Fund, the Public Employees' Retirement System and the Police and Firemen's Retirement Systems. As a result, it is no longer reflected as anticipated revenue to the State General Fund.

New York: Prior years surveys reported General Fund Tax receipts only and excluded other General Fund receipts. The amounts reported this year reflect total General Fund receipts as reported in the 2017, 2018 and 2019 Enacted Financial Plans including transfers from other funds which were used to support General Fund activities which totaled (in millions): \$818, \$921 and \$3,001 for 2017; 2018; and 2019, respectively.

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

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

Vermont: Starting in FY19 Sales & Use Taxes were deposited in the Education Fund, not the General Fund. Starting in FY19 various healthcare taxes were deposited in the General Fund, not a Special Revenue Fund.

Washington: Revenue totals are based on the June 2019 Revenue Forecast document.

APPENDIX

TABLE A-1

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

Region/State	Actual Fiscal 2017			Actual Fiscal 2018			Estimated Fiscal 2019		
	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds
NEW ENGLAND									
Connecticut	\$23,168	\$6,253	\$29,421	\$24,098	\$6,141	\$30,239	\$24,916	\$6,318	\$31,234
Maine	5,532	2,601	8,133	5,607	2,698	8,305	5,867	2,797	8,664
Massachusetts	38,721	13,903	52,624	39,999	14,432	54,431	42,644	14,494	57,138
New Hampshire	3,609	2,221	5,830	3,761	2,297	6,058	3,823	2,313	6,136
Rhode Island	5,781	2,977	8,758	6,036	2,996	9,032	6,412	3,334	9,746
Vermont	3,594	1,914	5,508	3,685	1,926	5,611	3,862	1,887	5,749
MID-ATLANTIC									
Delaware	8,106	2,171	10,277	8,108	2,492	10,600	8,625	2,403	11,028
Maryland	30,168	12,018	42,186	30,194	12,147	42,341	31,723	13,166	44,889
New Jersey	41,943	15,172	57,115	43,007	15,628	58,635	46,066	16,695	62,761
New York	99,599	52,985	152,584	102,226	56,808	159,034	103,921	60,416	164,337
Pennsylvania	51,904	29,001	80,905	55,137	29,145	84,282	58,277	30,640	88,917
GREAT LAKES									
Illinois	51,811	14,833	66,644	55,309	16,940	72,249	54,587	17,055	71,642
Indiana	19,507	12,421	31,928	20,043	13,578	33,621	20,502	13,777	34,279
Michigan	34,019	20,290	54,309	35,734	20,733	56,467	34,124	22,849	56,973
Ohio	53,086	12,596	65,682	51,702	15,113	66,815	52,784	15,417	68,201
Wisconsin	35,999	10,993	46,992	36,624	11,575	48,199	38,456	11,787	50,243
PLAINS									
Iowa	16,292	6,389	22,681	17,114	6,260	23,374	17,043	6,513	23,556
Kansas	11,419	3,749	15,168	11,762	3,773	15,535	12,610	4,166	16,776
Minnesota	26,421	10,406	36,827	28,058	11,353	39,411	29,507	12,050	41,557
Missouri	17,200	8,186	25,386	17,489	8,360	25,849	17,823	8,490	26,313
Nebraska	8,837	3,030	11,867	9,040	3,101	12,141	9,318	2,791	12,109
North Dakota	5,174	1,616	6,790	4,392	1,472	5,864	4,905	1,639	6,544
South Dakota	2,787	1,420	4,207	3,030	1,407	4,437	3,010	1,449	4,459
SOUTHEAST									
Alabama	16,335	9,865	26,200	16,715	9,958	26,673	16,255	10,165	26,420
Arkansas	17,249	7,857	25,106	17,673	7,920	25,593	17,888	7,829	25,717
Florida	48,396	26,317	74,713	49,560	27,401	76,961	57,853	29,809	87,662
Georgia	34,291	14,266	48,557	35,782	14,446	50,228	37,927	14,426	52,353
Kentucky	21,305	12,258	33,563	21,611	12,441	34,052	22,170	12,667	34,837
Louisiana	16,959	11,159	28,118	18,876	12,085	30,961	20,451	14,263	34,714
Mississippi	11,431	7,819	19,250	11,199	7,787	18,986	11,754	9,372	21,126
North Carolina	32,850	14,778	47,628	34,288	15,296	49,584	36,675	14,438	51,113
South Carolina	16,369	8,184	24,553	16,489	8,593	25,082	17,453	8,058	25,511
Tennessee	20,579	12,261	32,840	21,569	12,618	34,187	22,656	14,164	36,820
Virginia	39,032	10,308	49,340	40,954	10,163	51,117	42,508	11,447	53,955
West Virginia	12,628	4,314	16,942	12,353	4,481	16,834	13,280	4,975	18,255
SOUTHWEST									
Arizona	20,048	15,016	35,064	21,122	15,999	37,121	22,129	15,544	37,673
New Mexico	10,907	8,128	19,035	11,457	8,496	19,953	11,773	8,474	20,247
Oklahoma	15,747	7,186	22,933	14,769	7,522	22,291	15,383	8,153	23,536
Texas	70,829	35,174	106,003	74,180	39,376	113,556	71,966	38,331	110,297
ROCKY MOUNTAIN									
Colorado	27,443	9,367	36,810	29,886	9,928	39,814	31,857	9,781	41,638
Idaho	4,814	2,682	7,496	5,279	2,684	7,963	6,031	3,260	9,291
Montana	4,147	2,810	6,957	4,089	2,863	6,952	4,190	2,983	7,173
Utah	10,413	3,809	14,222	10,533	3,924	14,457	12,014	4,664	16,678
Wyoming	3,499	926	4,425	3,499	926	4,425	3,864	844	4,708
FAR WEST									
Alaska	5,969	3,763	9,732	6,688	3,614	10,302	7,731	3,973	11,704
California	163,540	95,337	258,877	174,411	92,352	266,763	203,919	100,007	303,926
Hawaii	11,413	2,571	13,984	11,440	2,628	14,068	12,070	2,528	14,598
Nevada	9,298	4,393	13,691	9,357	4,624	13,981	9,689	4,888	14,577
Oregon	29,714	10,189	39,903	29,981	10,476	40,457	31,482	10,835	42,317
Washington	31,098	12,270	43,368	32,754	12,293	45,047	36,145	12,111	48,256
TOTAL	\$1,300,980	\$600,152	\$1,901,132	\$1,348,669	\$621,269	\$1,969,938	\$1,427,918	\$650,435	\$2,078,353

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

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

Region/State	Actual Fiscal 2017				Actual Fiscal 2018				Estimated Fiscal 2019			
	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total
NEW ENGLAND												
Connecticut	\$5	\$0	\$34	\$39	\$5	\$0	\$37	\$42	\$5	\$0	\$37	\$42
Maine	0	0	13	13	0	0	15	15	0	0	18	18
Massachusetts	77	0	607	684	109	0	653	761	86	0	651	737
New Hampshire	4	0	31	35	4	0	32	36	4	0	31	35
Rhode Island	8	0	59	67	10	0	67	77	14	0	96	110
Vermont	1	0	30	31	1	0	27	28	1	0	26	27
MID-ATLANTIC												
Delaware	0	3	29	32	0	3	37	40	0	3	38	41
Maryland*	38	1	276	315	41	0	298	339	43	2	324	369
New Jersey	13	17	489	519	11	12	540	563	10	26	523	559
New York	0	223	1,076	1,299	0	295	1,676	1,971	0	408	1,529	1,937
Pennsylvania	11	33	358	402	11	36	392	439	13	33	444	490
GREAT LAKES												
Illinois	310	31	279	620	376	44	333	752	341	40	301	682
Indiana	0	1	201	202	0	2	230	232	0	2	191	193
Michigan	4	0	252	255	3	2	260	264	4	1	263	268
Ohio*	461	0	0	461	507	0	0	507	514	0	0	514
Wisconsin	4	10	219	233	11	4	238	253	11	3	239	253
PLAINS												
Iowa	10	0	119	129	8	0	120	128	7	0	139	146
Kansas	0	6	73	79	0	7	76	84	0	10	124	134
Minnesota	1	0	10	12	2	0	15	17	2	0	14	16
Missouri	16	8	73	97	20	8	87	115	23	8	96	127
Nebraska	2	7	66	75	3	7	79	89	2	7	84	93
North Dakota	1	0	6	7	1	0	7	8	1	0	7	8
South Dakota	3	0	27	30	3	0	30	33	2	0	30	32
SOUTHEAST												
Alabama	0	0	203	203	0	0	242	242	0	0	251	251
Arkansas*	0	0	144	144	0	0	171	171	0	0	158	158
Florida	17	15	371	403	17	17	418	452	20	20	459	499
Georgia	0	0	276	276	0	0	251	251	0	0	427	427
Kentucky	0	0	233	233	0	0	203	203	0	0	219	219
Louisiana	9	1	364	374	9	1	311	321	7	1	403	411
Mississippi	0	0	154	154	0	0	134	134	0	0	157	157
North Carolina	1	1	190	192	0	1	198	199	0	0	516	516
South Carolina	0	0	138	138	0	0	164	164	0	0	188	188
Tennessee	8	3	233	244	2	215	6	223	2	178	4	184
Virginia	23	14	281	319	30	14	337	381	35	14	375	424
West Virginia	0	0	48	48	0	1	49	50	0	2	52	54
SOUTHWEST												
Arizona	0	0	27	27	0	0	61	61	0	0	75	75
New Mexico	0	0	109	109	0	0	102	102	0	0	97	97
Oklahoma	10	2	220	231	12	2	223	236	14	2	225	241
Texas	134	0	1,624	1,758	111	0	1,412	1,523	96	0	1,423	1,519
ROCKY MOUNTAIN												
Colorado*	15	18	247	281	18	23	301	342	16	23	285	324
Idaho	0	0	73	73	0	0	75	75	0	0	83	83
Montana	0	1	101	102	0	1	96	97	0	1	105	106
Utah	0	7	130	137	0	7	131	138	0	7	127	134
Wyoming	1	0	9	10	1	0	10	11	1	0	10	11
FAR WEST												
Alaska	4	0	32	36	4	0	30	34	4	0	30	34
California	294	0	2,741	3,035	318	0	3,042	3,360	289	0	3,179	3,468
Hawaii	7	0	58	65	6	0	58	64	6	0	51	57
Nevada	0	3	44	47	1	3	49	53	1	3	54	58
Oregon	4	0	195	199	5	0	231	236	10	0	304	314
Washington	10	1	79	90	14	1	105	120	15	1	117	133
TOTAL	\$1,506	\$406	\$12,652	\$14,565	\$1,673	\$706	\$13,659	\$16,038	\$1,600	\$795	\$14,579	\$16,974
District of Columbia	0	0	36	36	0	0	45	45				

*See Children's Health Insurance Block Grant Notes for explanation.

Children's Health Insurance Block Grants Notes

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

Colorado: CHIP expenditures are excluded from the Medicaid category and added to the All Other category to adhere more

closely to the survey directions. In previous surveys, CHIP expenditures were included in Medicaid.

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

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

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

Region/State	Actual Fiscal 2017			Actual Fiscal 2018			Estimated Fiscal 2019		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
NEW ENGLAND									
Connecticut	\$161	\$0	\$161	\$167	\$0	\$167	\$168	\$0	\$168
Maine	54	0	54	63	0	63	53	0	53
Massachusetts	415	0	415	392	0	392	409	0	409
New Hampshire	38	0	38	40	0	40	44	0	44
Rhode Island	59	0	59	64	0	64	72	0	72
Vermont	32	0	32	34	0	34	34	0	34
MID-ATLANTIC									
Delaware	20	0	20	22	0	22	22	0	22
Maryland	159	0	159	167	0	167	171	0	171
New Jersey	427	0	427	462	0	462	475	0	475
New York	1,120	0	1,120	1,159	0	1,159	1,319	0	1,319
Pennsylvania	732	0	732	658	0	658	755	0	755
GREAT LAKES									
Illinois	591	0	591	600	0	600	636	0	636
Indiana	152	0	152	136	0	136	208	0	208
Michigan	249	0	249	264	0	264	274	0	274
Ohio	419	0	419	462	0	462	457	0	457
Wisconsin	216	0	216	236	0	236	239	0	239
PLAINS									
Iowa	109	0	109	111	0	111	109	0	109
Kansas	64	0	64	71	0	71	70	0	70
Minnesota	218	0	218	235	0	235	241	0	241
Missouri	198	13	211	212	0	212	252	0	252
Nebraska	62	0	62	66	0	66	67	0	67
North Dakota	16	1	17	18	1	19	16	1	17
South Dakota	21	0	21	22	0	22	22	0	22
SOUTHEAST									
Alabama	54	19	73	67	6	73	73	0	73
Arkansas	46	5	51	40	3	43	65	6	71
Florida	549	0	549	606	0	606	609	0	609
Georgia	142	0	142	158	0	158	165	0	165
Kentucky	0	96	96	0	102	102	0	101	101
Louisiana	130	0	130	148	0	148	157	0	157
Mississippi	35	19	54	33	23	56	32	23	55
North Carolina	295	0	295	324	0	324	333	0	333
South Carolina	92	3	95	100	3	103	104	3	107
Tennessee	237	0	237	226	0	226	216	0	216
Virginia	233	0	233	254	0	254	258	0	258
West Virginia	42	0	42	43	0	43	43	0	43
SOUTHWEST									
Arizona	82	19	101	90	22	112	95	22	117
New Mexico	44	0	44	49	0	49	50	0	50
Oklahoma	99	0	99	112	0	112	125	0	125
Texas	463	0	463	490	0	490	482	0	482
ROCKY MOUNTAIN									
Colorado	131	0	131	144	0	144	149	0	149
Idaho	27	0	27	33	0	33	34	0	34
Montana	21	0	21	22	0	22	23	0	23
Utah	39	0	39	42	0	42	43	0	43
Wyoming	14	0	14	16	0	16	18	0	18
FAR WEST									
Alaska	34	0	34	35	0	35	38	0	38
California	1,912	0	1,912	2,095	0	2,095	2,146	0	2,146
Hawaii	33	0	33	36	0	36	36	0	36
Nevada	29	2	31	34	0	34	36	1	37
Oregon	102	0	102	92	0	92	137	0	137
Washington	187	0	187	187	0	187	187	0	187
TOTAL	\$10,604	\$177	\$10,781	\$11,137	\$160	\$11,297	\$11,767	\$157	\$11,924
District of Columbia	19	0	19	20	0	20			

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

Region/State	Actual Fiscal 2017			Actual Fiscal 2018			Estimated Fiscal 2019		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
NEW ENGLAND									
Connecticut*	\$2,058	\$543	\$2,601	\$2,302	\$575	\$2,877	\$2,579	\$642	\$3,221
Maine	103	0	103	115	0	115	130	0	130
Massachusetts	2,335	67	2,402	2,369	60	2,429	2,437	59	2,496
New Hampshire	108	32	140	106	34	140	113	33	146
Rhode Island	139	75	214	169	65	234	162	67	229
Vermont	71	6	77	68	5	73	73	5	78
MID-ATLANTIC									
Delaware	179	242	421	187	237	424	184	244	428
Maryland	259	920	1,179	260	964	1,223	286	1,004	1,290
New Jersey	3,724	0	3,724	3,786	0	3,786	3,955	0	3,955
New York*	0	5,514	5,514	0	5,873	5,873	0	6,999	6,999
Pennsylvania	1,111	159	1,270	1,072	150	1,222	1,118	184	1,302
GREAT LAKES									
Illinois	0	3,906	3,906	0	3,981	3,981	0	4,642	4,642
Indiana	182	114	296	182	125	307	209	119	328
Michigan	137	0	137	108	0	108	107	0	107
Ohio	1,371	138	1,509	1,380	125	1,505	1,446	156	1,602
Wisconsin	566	354	920	543	360	903	601	419	1,020
PLAINS									
Iowa	0	71	71	0	71	71	0	71	71
Kansas	123	397	520	134	403	537	128	432	560
Minnesota	529	0	529	563	0	563	550	0	550
Missouri	101	509	610	107	381	488	105	359	464
Nebraska*	9	29	38	9	33	42	9	41	50
North Dakota	6	1	7	6	1	7	5	1	6
South Dakota	12	29	41	12	29	41	10	29	39
SOUTHEAST									
Alabama*	62	12	74	68	15	83	63	21	84
Arkansas	5	230	235	5	186	191	5	212	217
Florida	53	1,661	1,714	55	1,635	1,690	55	1,648	1,703
Georgia	1,178	0	1,178	1,248	0	1,248	1,267	0	1,267
Kentucky*	669	336	1,005	701	351	1,052	711	339	1,050
Louisiana	515	58	573	542	109	651	553	59	611
Mississippi	392	19	411	385	18	403	385	66	451
North Carolina	711	79	790	718	56	774	704	68	772
South Carolina*	173	0	173	180	0	180	62	0	62
Tennessee	246	0	246	244	0	244	247	0	247
Virginia	720	48	768	733	62	794	729	47	775
West Virginia	40	223	263	41	241	282	39	294	333
SOUTHWEST									
Arizona	340	560	900	351	694	1,045	298	694	992
New Mexico	0	398	398	0	412	412	0	504	504
Oklahoma			0			0			0
Texas*	1,015	741	1,756	1,234	864	2,098	1,218	999	2,217
ROCKY MOUNTAIN									
Colorado*	57	353	410	72	245	317	84	290	374
Idaho	4	8	12	4	7	11	4	8	12
Montana	16	4	20	13	4	17	9	4	13
Utah	86	362	448	72	439	511	36	357	393
Wyoming			0			0			0
FAR WEST									
Alaska	200	63	263	227	69	296	240	63	303
California	5,388	1,520	6,908	5,311	1,817	7,128	5,453	1,882	7,335
Hawaii	711	325	1,036	712	515	1,227	781	292	1,073
Nevada	1	251	252	1	279	280	1	276	277
Oregon	219	115	333	264	127	391	281	124	405
Washington	1,116	781	1,897	1,125	798	1,923	1,257	804	2,061
TOTAL	\$27,040	\$21,253	\$48,293	\$27,782	\$22,414	\$50,196	\$28,687	\$24,257	\$52,944
District of Columbia	658	13	671	702	13	715			

*See Debt Service Notes for explanation.

Debt Service Notes

Alabama: Total does not include debt service payments made on revenue obligation bonds (\$435M in FY17, \$496M in FY18, \$502M Estimated in FY19). Only general obligation debt service is appropriated and calculated in the state's total expenditure reports. Revenue obligation debt service is not reported as has been the case in previous surveys.

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

Connecticut: Other State Funds include the transportation fund only.

Kentucky: Other State Funds does not include Local Use Allowance for Courthouses or P3 debt (i.e. Sower, Mero office

bldgs., KyWired). FY17 figures differ in two ways from those reported in the 2018 state expenditure survey: (1) they don't include the on-budget transfer to the Emergency and Targeted Investment Fund (ETIF) for SFCC; (2) the split between General Fund and All Other funds differs from what was originally reported.

Nebraska: Items indicate bond or master lease payments and not indicative of General Obligation Debt.

New York: All debt service is paid from Other State Funds (Debt Service Funds). Certain Debt Service Funds are supported by transfers from the General Fund. General Fund transfers supporting Debt Service Funds totaled (in millions): \$924; \$1,047 and \$786 for 2017; 2018; and 2019, respectively.

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

Texas: Fiscal 2018 figures are estimated debt service scheduled to be paid during fiscal year — not actual debt service paid.

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

Region/state	Actual Fiscal 2017						Estimated Fiscal 2018						Estimated Fiscal 2019					
	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total
NEW ENGLAND																		
Connecticut*	\$499	\$243	\$188	\$0	\$465	\$1,395	\$500	\$253	\$328	\$0	\$550	\$1,630	\$511	\$250	\$371	\$0	\$552	\$1,685
Maine	228	91	0	0	15	334	226	93	0	0	17	336	233	94	0	0	17	344
Massachusetts	768	667	548	0	63	2,046	768	684	564	0	66	2,082	775	659	582	0	155	2,171
New Hampshire	125	96	0	0	14	235	126	98	0	0	0	224	130	96	0	0	0	226
Rhode Island*	146	71	0	0	5	222	149	77	0	0	8	234	162	101	0	0	9	272
Vermont*	78	93	69	0	49	289	78	95	73	0	51	297	78	94	75	0	54	301
MID-ATLANTIC																		
Delaware	130	214	0	198	14	555	132	212	0	197	13	554	144	218	0	205	14	581
Maryland	1,079	389	886	0	2401	4,755	1,084	390	869	0	2,368	4,711	1,128	399	904	0	2,574	5,005
New Jersey	533	0	200	12	862	1,607	513	0	200	12	1,374	20,99	501	0	200	12	1,466	2,179
New York*	519	1,107	903	0	3,927	6,456	512	1,169	942	0	3,960	6,583	528	1,128	963	0	2,737	5,356
Pennsylvania	3,515	1,013	0	0	26	4,554	3,860	1,058	0	0	58	4,976	3,828	1,000	0	0	22	48,50
GREAT LAKES																		
Illinois	1,274	110	0	0	2,875	4,259	1,292	108	0	0	2,472	38,73	1,276	110	0	0	2,756	4,142
Indiana	455	131	3	0	40	629	750	138	0	0	37	925	928	190	0	0	45	1,163
Michigan*	1,360	1,255	88	22	128	2,853	1,451	1,333	90	21	173	3,068	1,464	1,328	97	23	465	33,77
Ohio	1,060	43	0	0	2,097	3,199	1,069	48	0	0	2,356	3,472	1,071	44	0	0	2,116	3,231
Wisconsin*	1,052	505	0	0	169	1,726	1,064	534	0	0	186	1,784	1,080	708	0	0	201	1,989
PLAINS																		
Iowa	699	1,020	0	0	8	1,727	669	1,052	0	0	10	1,731	680	953	0	0	7	1,640
Kansas	455	220	515	0	-2	1,188	458	208	530	0	186	1,382	462	208	530	0	186	1,386
Minnesota	911	10	821	0	1,399	3,140	926	8	846	0	1,567	3,347	940	9	891	0	1,473	3,313
Missouri*	511	286	361	0	0	1,158	518	297	367	0	0	1,182	517	305	358	0	0	1,180
Nebraska	247	43	117	0	135	542	259	45	121	0	86	511	259	43	124	0	89	515
North Dakota*	184	96	0	0	22	302	192	101	0	0	26	319	180	101	0	0	31	312
South Dakota	177	0	109	0	31	317	174	0	115	0	26	315	178	0	118	0	29	325
SOUTHEAST																		
Alabama*	373	99	0	0	1,216	1,688	407	105	0	0	1,421	1,933	358	104	0	0	1,159	1,621
Arkansas*	286	86	N/A	0	207	579	293	90	N/A	0	211	593	295	92	N/A	0	218	605
Florida*	2,273	1,163	N/A	1,016	3,605	8,057	2,336	1,190	N/A	1,000	3,837	8,363	2,454	1,212	N/A	1,108	4,115	8,889
Georgia	1761	0	0	0	183	1,944	18,40	0	0	0	186	2,026	1,895	0	0	0	191	2,086
Kentucky	761	224	500	0	24	1,508	765	225	493	0	28	1,511	773	240	515	0	38	1,566
Louisiana	635	53	0	0	33	721	602	52	0	0	32	686	643	52	0	0	35	730
Mississippi						0						0						0
North Carolina	1,914	712	784	39	223	3,673	1,979	707	797	44	232	3,759	2,107	721	839	58	217	3,942
South Carolina	503	26	152	8	1,301	1,990	568	46	17	9	1,462	2,102	658	68	266	9	995	1,996
Tennessee	476	230	25	0	7	738	602	275	27	0	6	910	651	283	23	0	6	963
Virginia	858	326	970	0	1,298	3,452	844	328	955	0	1,330	3,457	845	339	988	0	1,383	3,555
West Virginia	381	104	204	0	26	715	435	124	232	0	27	818	444	124	232	0	29	829
SOUTHWEST																		
Arizona	328	106	182	0	548	1,164	337	107	179	0	478	1,101	360	102	156	0	538	1,156
New Mexico	213	83	0	0	105	401	224	84	0	0	111	419	230	86	7	0	125	447
Oklahoma	215	1	1			217	220	1	1			222	224	1	1			226
Texas*	2,630	1,437	0	12	888	4,967	2,694	1,518	0	28	2,385	6,625	2,740	1,556	0	35	6,184	10,515
ROCKY MOUNTAIN																		
Colorado*	630	251	0	0	311	1,192	647	263	0	0	325	1,235	642	264	0	0	303	1,208
Idaho	191	89	0	0	51	331	198	92	0	0	51	340	206	97	0	0	42	345
Montana	222	0	0	0	82	304	251	0	0	0	84	335	253	0	0	0	85	338
Utah*	484	162	0	2	523	1,171	489	170	0	2	570	1,231	503	178	0	2	607	1,290
Wyoming						0						0						0
FAR WEST																		
Alaska						0						0						0
California*	5,270	4,060	0	0	1,092	10,422	7,065	5,268	0	0	1,148	13,481	8,544	6,152	0	0	1,156	15,852
Hawaii*	85	46	213	0	1,110	1,454	86	46	145	0	1,359	1,636	86	47	156	0	1,798	2,087
Nevada*	294	223	0	0	260	777	306	253	0	0	225	784	311	266	0	0	82	659
Oregon*	554	371	0	0	834	1,758	630	439	3	0	535	1,607	636	435	8	0	518	1,597
Washington	1,317	612	81	192	946	3,148	1,418	1,235	85	194	579	3,511	1,220	1,063	80	198	381	2,942
TOTAL	\$38,658	\$18,165	\$7,921	\$1,501	\$29,614	\$95,858	\$42,004	\$20,619	\$7,979	\$1,506	\$32,210	\$104,319	\$44,129	\$21,520	\$8,484	\$1,651	\$35,203	\$110,987
District of Columbia*	27	0	0	0	122	149	26	0	0	0	153	179						

*See Transportation Fund Revenue Sources Notes for explanation.

Transportation Fund Revenue Sources Notes

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

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

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

Connecticut: Vehicle sales and uses taxes represents total sales tax dedicated to Special Transportation Fund, and excludes any motor vehicle or other sales tax that accrue to the general fund.

Colorado: Other revenue includes FASTER, Colorado Bridge Enterprise, etc.

District of Columbia: At the ‘State’ level, the District of Columbia FHWA match (from Motor Fuel Tax) is called the “Highway Trust Fund.” In addition, the District of Columbia also has a Local Transportation Fund, which supports all local transportation needs.

Florida: The State Transportation Trust Fund is the state’s primary trust fund. The Turnpike General Reserve Trust Fund is the state’s primary trust fund used to manage Turnpike Revenue.

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

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

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

Nevada: Other Revenue includes: Proceeds from sale of bonds, Agreement income Interest, Sale of surplus property, Transfer from Petroleum Clean Up Fund, Passenger Carrier Tax, AB595 property tax, AB595 bond revenue, and Other Sales & Reimbursements.

New York: Other transportation fund revenue includes auto rental taxes, petroleum business taxes, highway use tax, transit dedicated business taxes, MTA payroll tax, and taxicab surcharge. The FY 2019 Enacted Budget included legislation directing the Mobility Tax collections to be remitted directly to the MTA; this eliminates the pass through of this tax. Beginning in FY 2019, the Financial Plan no longer includes Mobility Tax receipts or the associated local assistance payments.

North Dakota: Amounts were reported for Vehicle Sales and Uses taxes in last year’s survey by mistake, this revenue source is deposited in the general fund.

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

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

Texas: Other revenues include Proposition 1 (Oil & Gas Severance Taxes) Transfers, Proposition 7 (Sales/Use Taxes) Transfers, Lubricant Sales Tax, Special Vehicle Permit Fees, Motor Vehicle Certificates, Land Sales, Judgments & Settlements, Drivers License Fees, Drivers Record Information Fees, Vehicle Inspection Fees, and Other Misc. Government Revenues. Increased transfers from Proposition 1 and new funding from Proposition 7 are the primary factors for the increased ‘Other’ revenues in 2018 and 2019.

Utah: Vehicle sales and use tax isn’t exclusively dedicated to transportation, but a portion would be included in the sales tax earmark. Tolls are deposited into a separate restricted transportation account. The “other” category consists of sales tax earmarks that are deposited into the Transportation Investment Fund.

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

Transportation Fund Names

Alabama: Public Road and Bridge Fund

Arizona: Arizona Highway User Fund

Colorado: Highway Users Trust Fund, State Highway Fund

Connecticut: The Special Transportation Fund

Delaware: Delaware Transportation Authority Transportation Trust Fund

District of Columbia: Highway Trust Fund, Local Transportation Fund

Florida: State Transportation Trust Fund, Turnpike General Reserve Trust Fund

Idaho: State Highway Account

Illinois: Road Fund and Motor Fuel Tax Fund

Indiana: State Highway Fund

Iowa: Road Use Tax Fund

Kansas: State Highway Fund

Kentucky: Road Fund

Louisiana: Transportation Trust Fund

Maine: Highway Fund

Maryland: Transportation Trust Fund

Massachusetts: Commonwealth Transportation Fund

Michigan: Michigan Transportation Fund, State Trunkline Fund, State Aeronautics Fund, Comprehensive Transportation Fund, Blue Water Bridge Fund

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

Missouri: State Highways and Transportation Department Fund, State Road Fund

Montana: Highway State Special Revenue

Nebraska: Highway Trust Fund, State Highway Capital Improvement Fund

Nevada: State Highway Fund

New Hampshire: Highway Fund

New Jersey: Transportation Trust Fund

New Mexico: State Road Fund

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

North Carolina: Highway Fund, Highway Trust Fund

North Dakota: Highway Fund

Ohio: Highway Operating Fund

Oregon: Highway Fund

Pennsylvania: Motor License Fund

Rhode Island: Intermodal Surface Transportation Fund

South Dakota: Highway Fund

Tennessee: Highway Fund

Texas: State Highway Fund, Texas Mobility Fund

Utah: Transportation Fund, Transportation Investment Fund

Vermont: Transportation Fund

Washington: The three largest transportation accounts are Motor Vehicle Account, Multimodal Account, and Connecting Washington Account

Wisconsin: Transportation Fund

Methodology

The *2019 State Expenditure Report* reflects three years of data: actual fiscal year 2017, actual fiscal year 2018, and estimated fiscal year 2019. The text of this report focuses on actual fiscal year 2018 and estimated fiscal 2019 data. Expenditure data are detailed by program area and funding source so that trends in state spending can be evaluated. Readers are cautioned that a more complete understanding of service levels within a given state would require comparisons of spending by both state and local governments, which is not the purpose of this report. In addition, the data are self-reported by the states.

This report documents state expenditures in six functional categories: elementary and secondary education, higher education, public assistance including Temporary Assistance for Needy Families and other cash assistance, Medicaid, corrections, and transportation. All other expenditures make up a seventh category. The report includes expenditures from four fund sources, including general funds, federal funds, other state funds, and bonds. Data for each category typically include employer contributions to current employees' pensions and to employee health benefits for employees. In addition, the report contains a chapter detailing revenue sources in the general fund.

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

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

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

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

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

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

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

Capital spending is included with operating expenditures within each functional category, unless otherwise noted. Capital expenditures have also been collected separately in the following categories: elementary and secondary education, higher education, transportation, corrections, housing,

environmental, and “all other.” Capital expenditure data can be found in Chapter Eight.

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

Tables included in four of the functional categories reflect expenditures that states have excluded from their reported data. Each table underscores the observation that state-to-state expenditure comparisons in any functional category can be misleading. For example, one state may have included its juvenile institutions in its corrections budget,

while another state may have included them in its human resources budget. Comparisons for one state over time, however, should prove accurate.

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

Definitions

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

Federal Funds: funds received directly from the federal government.

Other State Funds: expenditures from revenue sources, which are restricted by law for particular governmental func-

tions or activities. For example, a gasoline tax dedicated to a highway trust fund would appear in the "Other State Funds" column (Note: For Medicaid, other state funds include provider taxes, fees, donations, assessments and local funds).

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

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



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