

# STATE EXPENDITURE REPORT



	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	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
Alabama	18,782	2,631	3,439	2,656	27,508	19,026	2,613	3,712	2,501	27,852	17,045	5,501	3,893	2,962	29,401
Alaska	3,087	2,649	2,309	61	8,106	3,041	2,563	2,059	16	7,679	3,150	2,696	2,180	63	8,009
Arizona	25,826	16,157	13,303	1,827	57,113	26,771	15,530	13,459	1,781	57,541	29,018	15,135	12,734	2,173	59,060
Arkansas	1,280	1,650	1,965	81	4,976	1,266	1,604	2,060	87	5,017	1,253	1,703	2,122	71	5,153



## EXAMINING FISCAL 2012-2014 STATE SPENDING

California	26,395	13,144	16,370	2,013	57,922	27,439	12,647	15,996	2,186	58,268	28,902	13,046	17,141	2,133	61,222
Colorado	13,381	10,572	17,371	0	41,324	14,042	10,815	17,912	0	42,769	14,634	11,006	19,253	0	44,893
Connecticut	6,010	6,551	6,072	229	18,862	6,299	5,727	7,398	107	19,531	6,641	6,122	7,316	71	20,140
Delaware	6,098	4,153	3,737	408	14,396	6,135	3,890	3,529	415	13,969	6,026	3,511	5,132	381	15,050
Florida	16,580	8,170	4,855	609	30,214	18,739	8,435	5,090	810	33,074	19,678	9,492	6,183	780	36,133
Georgia	7,938	7,539	7,887	0	9,876	8,022	7,209	7,712	0	22,943	8,348	7,208	7,622	0	23,178
Idaho	3,445	2,988	3,443	0	6,020	2,220	3,014	3,559	6	5,712	3,237	2,817	3,933	0	10,557
Illinois	2,223	1,884	1,902	11	3,688	1,291	1,494	1,950	35	4,098	1,442	1,420	1,227	21	4,110
Indiana	1,207	1,507	939	35	3,688	1,291	1,494	1,278	35	4,098	1,442	1,420	1,227	21	4,110
Iowa	7,380	9,439	7,455	324	24,598	7,121	9,482	7,693	224	24,520	7,835	9,288	6,770	495	24,388
Kansas	4,582	6,278	9,693	135	20,688	4,755	6,082	10,405	203	21,445	4,865	6,511	11,212	155	22,743
Kentucky	24,490	24,272	14,340	869	63,971	26,690	25,416	21,445	850	42,211	26,690	25,416	21,445	850	42,211
Louisiana	18,019	13,046	10,571	808	42,444	18,019	13,046	10,571	808	42,444	19,121	11,834	10,424	0	28,839
Maine	25,673	9,705	9,614	0	25,673	25,673	9,705	9,614	0	25,673	9,705	9,614	9,516	373	29,108
Maryland	23,054	24,570	13,971	1,395	41,143	18,019	13,046	10,571	0	25,673	8,612	11,091	9,071	257	18,950
Massachusetts	17,240	12,469	10,802	632	41,143	9,426	8,001	8,246	378	27,317	8,612	11,091	9,071	257	18,950
Michigan	9,334	8,687	7,628	0	25,649	8,421	10,241	8,277	784	18,512	4,888	8,197	5,591	383	44,272
Minnesota	8,359	10,616	7,793	320	27,088	4,736	7,755	5,237	231	43,105	21,082	12,850	9,914	0	21,445
Mississippi	8,359	10,616	7,793	320	27,088	4,736	7,755	5,237	231	43,105	21,082	12,850	9,914	0	21,445
Missouri	8,359	10,616	7,793	320	27,088	4,736	7,755	5,237	231	43,105	21,082	12,850	9,914	0	21,445
Montana	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Nebraska	49,922	7,800	8,208	0	30,491	49,922	7,800	8,208	0	30,491	13,465	13,231	5,367	266	32,329
Nevada	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
New Hampshire	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
New Jersey	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
New Mexico	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
New York	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
North Carolina	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
North Dakota	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Ohio	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Oklahoma	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Oregon	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Pennsylvania	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Rhode Island	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Tennessee	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Texas	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Utah	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Vermont	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Virginia	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Washington	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
West Virginia	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Wisconsin	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329
Wyoming	20,230	12,691	9,953	0	22,208	20,230	12,691	9,953	0	22,208	13,465	13,231	5,367	266	32,329

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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 2012, actual fiscal 2013, and estimated fiscal 2014. Expenditures reflected in this report represent more than 99 percent of total state spending.

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

# Acknowledgments

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# Executive Summary

## Overview

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Over the past three fiscal years, spending from states' own revenue sources has moderately grown each year, while total state expenditure levels (including all state and federal funds) have been more volatile due to the impact of federal funding changes. Federal funds to states have fluctuated as a result of both the Affordable Care Act and the Recovery Act. State funds (general funds and other state funds combined, excluding bonds) are estimated to have grown by 4.8 percent in fiscal 2014, 4.1 percent in fiscal 2013, and 3.8 percent in fiscal 2012. Federal funds to states, on the other hand, are estimated to have increased by 7.6 percent in fiscal 2014, declined by 1.8 percent in fiscal 2013, and decreased by 9.8 percent in fiscal 2012. The increase in federal funds to states in fiscal 2014 was almost solely due to additional Medicaid dollars, mainly resulting from the expansion of Medicaid in some states under the Affordable Care Act. While federal Medicaid funds to states increased \$41.8 billion or 17.8 percent in fiscal 2014, all other federal funds to states are estimated to have declined \$3.4 billion or 1.3 percent. In fiscal 2012 and fiscal 2013, the declines in federal funds resulted from the wind down of spending from the Recovery Act. In fact, in fiscal 2012, the combination of federal funds sharply declining and state funds slowly increasing led to a 1.1 percent reduction in total state expenditures, the first and only nominal decline in total state expenditures in the 27-year history of the *State Expenditure Report*. In fiscal 2013, total state spending grew 2.2 percent as the moderate growth in state funds was partially offset by the continued decline in federal funds. In fiscal 2014, it is estimated that total state spending grew 5.7 percent, resulting from both modest growth in state funds and strong growth in federal funds.

## State Spending Trends

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State expenditures have seen numerous shifts during the recession and subsequent recovery. General fund spending, the component of state budgets that comes from revenue sources such as states' income and sales taxes, was most negatively impacted during the recent economic downturn. After growing 8.5 percent in fiscal 2007 and 4.2 percent in fiscal 2008, general fund spending declined 2.9 percent in fiscal 2009 and an additional 6.5 percent in fiscal 2010. However, as the national economy slowly improved and states' revenues began to rebound, general fund spending returned to positive

growth. State general fund spending increased 3.9 percent in fiscal 2011, 3.3 percent in fiscal 2012, 4.3 percent in fiscal 2013, and is estimated to have grown by 4.8 percent in fiscal 2014.

During the time that states' general fund spending saw significant declines, federal funds to states experienced sizable increases. After growing a relatively modest 2.9 percent in fiscal 2007 and 2.4 percent in fiscal 2008, federal fund spending increased 19.3 percent in fiscal 2009 and 21.4 percent in fiscal 2010. This drastic increase in federal funds to states can be traced to the infusion of spending from the *American Recovery and Reinvestment Act of 2009* (ARRA), also known as the Recovery Act or stimulus. The swift wind down of ARRA funds in recent years led federal fund spending to grow only 1.0 percent in fiscal 2011, decline 9.8 percent in fiscal 2012 and decrease 1.8 percent in fiscal 2013. However, federal funds sharply rose by 7.6 percent in fiscal 2014 as some states began to receive additional Medicaid funds through the *Affordable Care Act*.

Overall, total state expenditures (including general funds, other state funds, bonds and federal funds) declined 1.1 percent in fiscal 2012, increased 2.2 percent in fiscal 2013, and are estimated to have grown by 5.7 percent in fiscal 2014.

Not surprisingly, the Recovery Act and the Affordable Care Act have also contributed to shifts in the distribution of funding sources for state expenditures. Over a two-year period from fiscal 2008 to fiscal 2010, general funds shrunk from representing 45.9 percent of total state expenditures to 38.1 percent, while federal funds rose from 26.3 percent to 34.9 percent. However, due to the expiration of ARRA funds, general funds started to once again make up a larger component of total state expenditures. By fiscal 2013, general funds accounted for 40.9 percent of total state expenditures, federal funds 29.8 percent, other state funds 27.3 percent, and bonds 2.1 percent. In fiscal 2014, it is estimated that federal funds will grow to 30.3 percent of total state spending due to increased Medicaid funds, while general funds will decline slightly to 40.5 percent.

Total state expenditures grew in nearly all program areas in both fiscal 2013 and 2014. In fiscal 2013, elementary and secondary education, higher education, public assistance, Medicaid, corrections and transportation all experienced growth, while the "all other" category slightly declined. In fiscal 2014, all programs areas, with the exception of public assis-

tance, experienced growth. Medicaid grew more sharply than all other program areas in both fiscal 2013 and fiscal 2014. Additionally, Medicaid grew from representing 24.5 percent of total state spending in fiscal 2013 to 25.8 percent in fiscal 2014, with the increase largely resulting from new *Affordable Care Act funds*.

Similar to total state expenditures, nearly all categories of general fund spending experienced gains in fiscal 2013 and fiscal 2014. In fiscal 2013, elementary and secondary education, public assistance, Medicaid, corrections, transportation, and “all other” saw spending growth, while only higher education declined. In fiscal 2014, all general fund spending categories except for public assistance experienced spending increases.

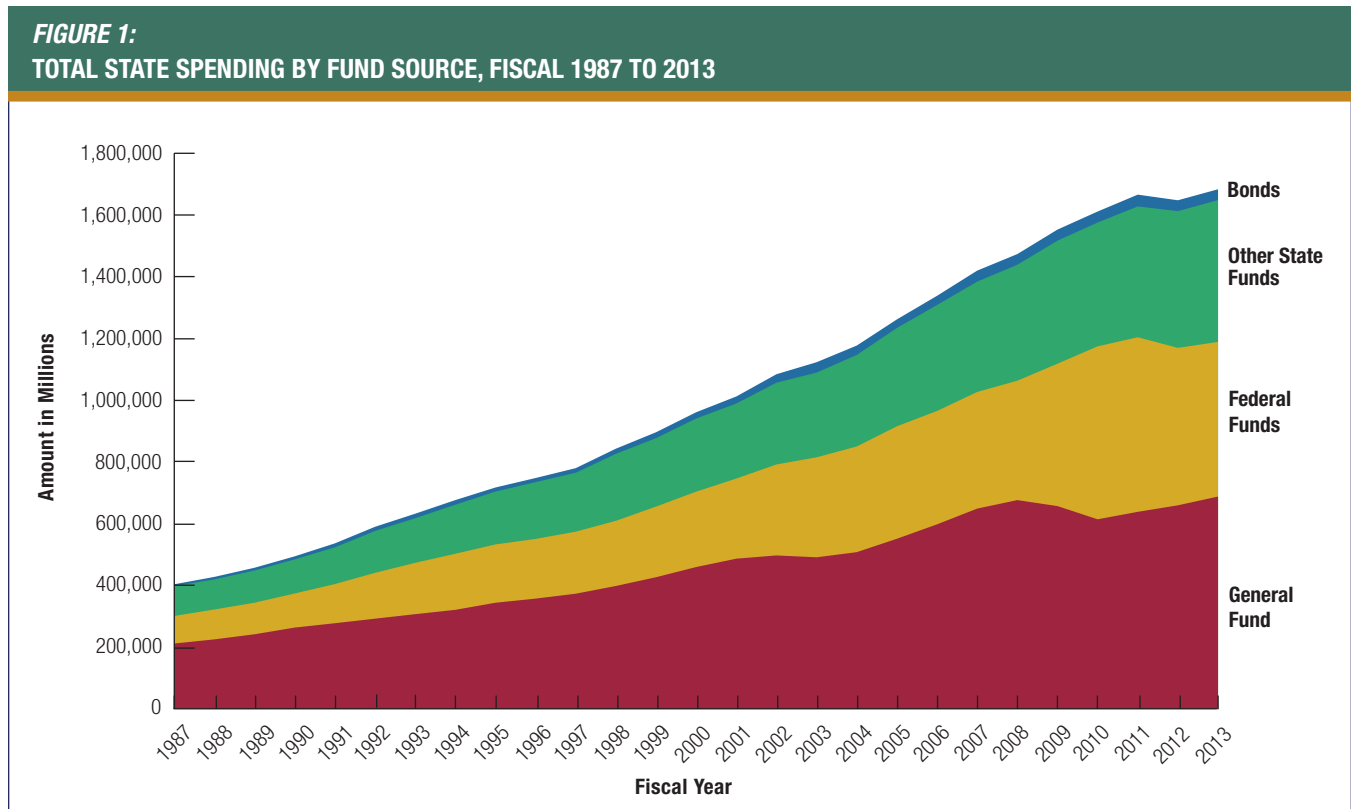
This edition of the *State Expenditure Report* includes data from actual fiscal 2012, actual fiscal 2013, and estimated fiscal 2014. The text of the report focuses on actual fiscal 2013 data, with a secondary focus on estimated fiscal 2014.

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

- Since the beginning of the recent economic downturn, **Medicaid** has risen as a percentage of total state spending,

going from 20.5 percent in fiscal 2008 to an estimated 25.8 percent in fiscal 2014. At the same time, **elementary and secondary education** has gone from representing 22.0 percent of total state spending in fiscal 2008 to an estimated 19.5 percent in fiscal 2014. The reason for elementary and secondary education representing a smaller share of total state spending is not because nominal elementary and secondary has declined; instead it is a result of its growth rate being slower than the growth in total Medicaid spending. For example, in fiscal 2014 it is estimated that total elementary and secondary education spending grew 4.1 percent while total Medicaid spending grew 11.3 percent.

- When looking only at general fund spending, **elementary and secondary education** remains the largest category in fiscal 2013, representing 34.9 percent of general fund expenditures, with **Medicaid** second at 18.9 percent. Those two categories, combined with higher education at 9.4 percent, account for nearly two-thirds of general fund spending. In fiscal 2014, elementary and secondary education is estimated to represent 35.0 percent of general fund expenditures, with Medicaid at 19.1 percent.
- **Elementary and secondary education** total expenditures increased by 3.9 percent in fiscal 2013 and increased



by 4.1 percent in estimated fiscal 2014. While state funds increased by 6.2 percent in fiscal 2013, federal funds declined by 6.0 percent due to the reduction in ARRA spending. In fiscal 2014, state funds increased 4.2 percent while federal funds grew 3.7 percent.

- Total expenditures for **higher education** increased by only 1.0 percent in fiscal 2013 and are estimated to have increased by 3.7 percent in fiscal 2014. State funds for higher education increased by 1.9 percent in fiscal 2013 and are estimated to have increased by 4.6 percent in fiscal 2014, while federal funds declined 3.6 percent in fiscal 2013 and declined by an estimated 0.4 percent in fiscal 2014. Much of the recent growth in state funds for higher education comes from other state funds, which includes tuition and fees in most states, and not from general funds.
- Total **public assistance** increased by 3.1 percent in fiscal 2013 and declined by 1.4 percent in estimated fiscal 2014. The spending decline in fiscal 2014 is partly due to changes in California's funding of certain public assistance programs. Public assistance, which includes cash assistance provided through the Temporary Assistance for Needy Families (TANF) program and other public assistance programs, represented 1.5 percent of total state expenditures in fiscal 2013.
- In fiscal 2013, **Medicaid** total state expenditures increased 5.8 percent, with state funds growing 8.1 percent and federal funds increasing 4.1 percent. In fiscal 2014, states funds grew at a relatively low 2.7 percent while federal funds increased 17.8 percent due to increased Medicaid dollars provided through the Affordable Care Act. Additionally, in fiscal 2014, federal funds made up 60 percent of total state Medicaid spending, up from 56.6 percent in fiscal 2013.
- Total **corrections** expenditures increased by only 0.5 percent in fiscal 2013 with state funds increasing 1.3 percent and federal funds declining 25.5 percent. In recent years, states have begun controlling costs through reducing recidivism rates, implementing changes to parole and probation systems, enhancing community supervision and drug treatment programs, and enacting sentencing reforms. State funds comprised 97.7 percent of total corrections spending in fiscal 2013. Corrections accounted for 3.2 percent of total state expenditures in fiscal 2013 and 6.9 percent of general funds. In fiscal 2014 it is estimated that total corrections spending will increase 4.0 percent, mostly attributable to increases in general fund spending.
- Total **transportation** spending, representing 7.8 percent of total state expenditures, increased by 2.7 percent in fiscal 2013 and is estimated to increase by 4.2 percent in fiscal 2014. Other state funds, which are typically earmarked revenue sources such as gasoline taxes, comprised 53.3 percent of total transportation spending in fiscal 2013, with federal funds at 32.2 percent, bonds at 10.8 percent, and general funds only accounting for 3.7 percent. States and the federal government are concerned that in the long term, gas tax revenue will not be sufficient to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, while at the same time vehicle fuel economy has improved and the number of vehicle miles driven has also fallen. In addition to raising gas tax rates, other possible policy options include a shift to other revenue sources such as sales taxes, implementing a vehicle-miles traveled tax, increasing the use of toll roads and entering into public-private partnerships.
- The **"all other"** category of state spending declined 1.0 percent in fiscal 2013 as state funds grew 2.6 percent and federal funds declined 9.5 percent; the decline in federal funds is a result of less Recovery Act dollars. In fiscal 2014, it is estimated that total "all other" spending will increase 3.9 percent, with state funds growing 5.5 percent and federal funds declining 3.2 percent. "All other" represented 33.0 percent of total state expenditures in fiscal 2013 and 27.7 percent of general fund expenditures. The "all other" category includes the Children's Health Insurance Program (CHIP), institutional and community care for the mentally ill and developmentally disabled, public health programs, some employer contributions to pensions and health benefits, economic development, environmental projects, state police, parks and recreation, housing, and general aid to local governments.
- Because the nature of **capital** spending includes long construction timetables and unforeseen or delayed project costs, state spending on capital projects has historically fluctuated from year to year. States increased capital spending by 2.6 percent in fiscal 2012, decreased spending by 0.4 percent in fiscal 2013 and increased it by an estimated 4.2 percent in fiscal 2014. State spending on capital projects traditionally has come from non-general

fund sources. Other state funds such as dedicated fees and fund surpluses (33.4 percent in fiscal 2013) and bonds (31.2 percent) combine to account for 64.6 percent of total state spending on capital projects. Federal funds (29.4 percent) and state general funds (6.0 percent) also contribute to capital spending.

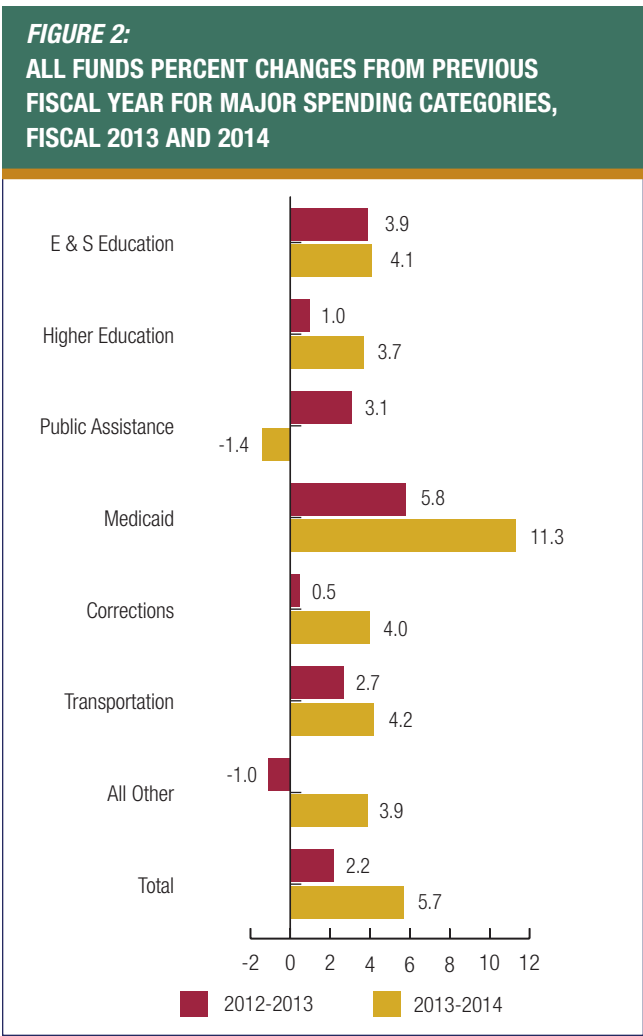
- In total, general fund **revenues** increased 7.0 percent in fiscal 2013. Personal income taxes experienced the largest percentage increase at 9.8, while corporate income taxes rose 9.2 percent, sales taxes grew 5.2 percent, other taxes and fees increased 3.6 percent, and gaming taxes rose 2.3 percent. The strong growth in personal income taxes can be attributed to modest economic improvements, strong gains in the stock market, and to the impact of the federal “fiscal cliff”, in which many taxpayers shifted capital gains and other income to calendar year 2012 to avoid higher scheduled federal tax rates. State general fund revenues

once again increased in fiscal 2014, albeit at a much slower rate. Total general fund revenues increased 1.4 percent, with sales taxes experiencing the strongest growth at 4.8 percent, personal income taxes increasing by 1.2 percent, and corporate income taxes rising by 0.5 percent. Other taxes and fees and gaming taxes both declined, at 2.5 percent and 5.3 percent respectively. Most states anticipated slower personal income tax growth in fiscal 2014 due to prior tax shifting brought on by the federal tax uncertainty.

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

This report includes three years of state expenditure data: actual fiscal 2012, actual fiscal 2013, and estimated fiscal 2014. The text primarily focuses on actual fiscal 2013 with a secondary emphasis on estimated fiscal 2014 and 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 hospitals, economic development, housing, environmental programs, health programs and the Children’s Health Insurance Program (CHIP), parks and recreation, natural resources, air transportation, and water transport). 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: corrections, environmental projects, higher education, housing, transportation, and “all other”. It should also be noted that 21 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, in many states, the funding of elementary and secondary education is considered primarily a local function. Some states are exceptions, such as Hawaii where state government fully funds elementary and secondary education. A more complete understanding of programs and service levels within a given state would require comparisons of spending by both state and local government, which is not the purpose of this report. In addition, because the data are self-reported by the states, some may be incomplete. These omissions can affect aggregate and regional tables.



While state balanced budget requirements are diverse, and governors are given significant powers to ensure a balanced budget, states operate within stricter revenue/expenditure limitations than the federal government. 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 positive 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 particular governmental functions or activities. For example, a gasoline tax dedicated to a highway

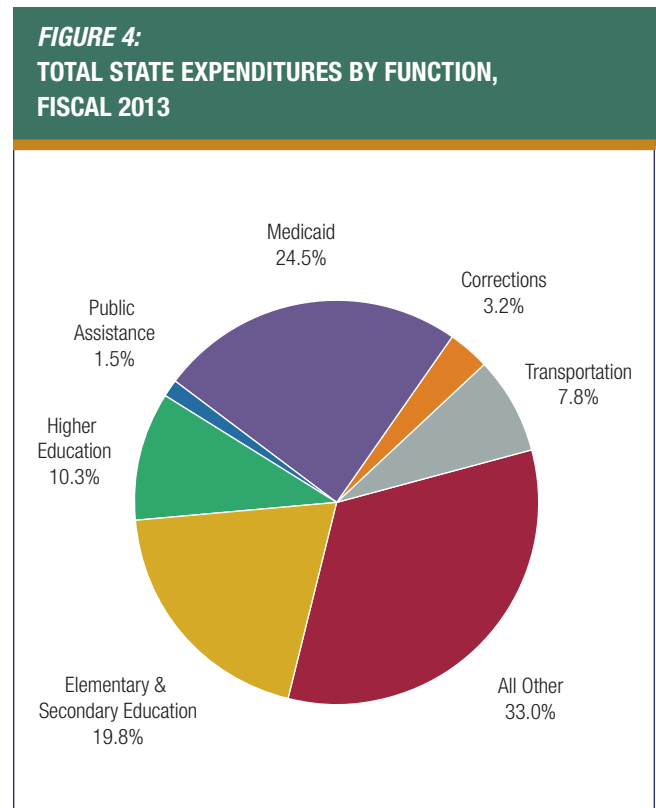
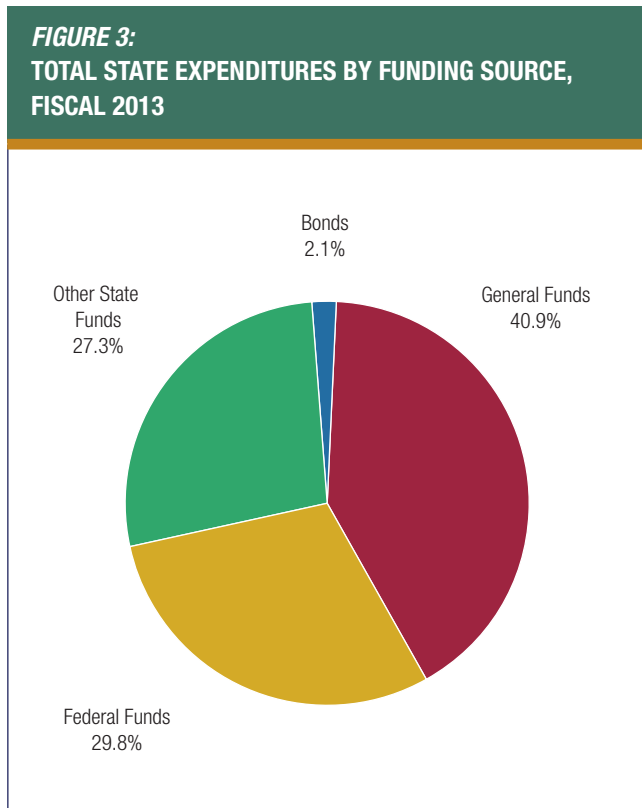
trust fund would appear in the “Other State Funds” column. For Medicaid, other state funds include provider taxes, fees, donations, assessments, and local funds.

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

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

Fiscal 2013 spending by fund source is detailed in Figure 3. In fiscal 2013, general funds represent 40.9 percent of total state spending, with federal funds at 29.8 percent, other state funds closely behind at 27.3 percent, and bonds at 2.1 percent. In fiscal 2014, it is estimated that general funds will slightly decline to 40.5 percent of total state spending while federal funds will increase to 30.3 percent, with the growth in federal funds related to an increase in federal Medicaid dollars resulting from the *Affordable Care Act*.

Figure 4 reflects total state expenditures by functional area. For fiscal 2013, total state spending shares are as follows: 24.5 percent for Medicaid; 19.8 percent for elementary and secondary education; 10.3 percent for higher education; 7.8 percent for transportation; 3.2 percent for corrections; 1.5 percent for public assistance; and 33.0 percent for all other.



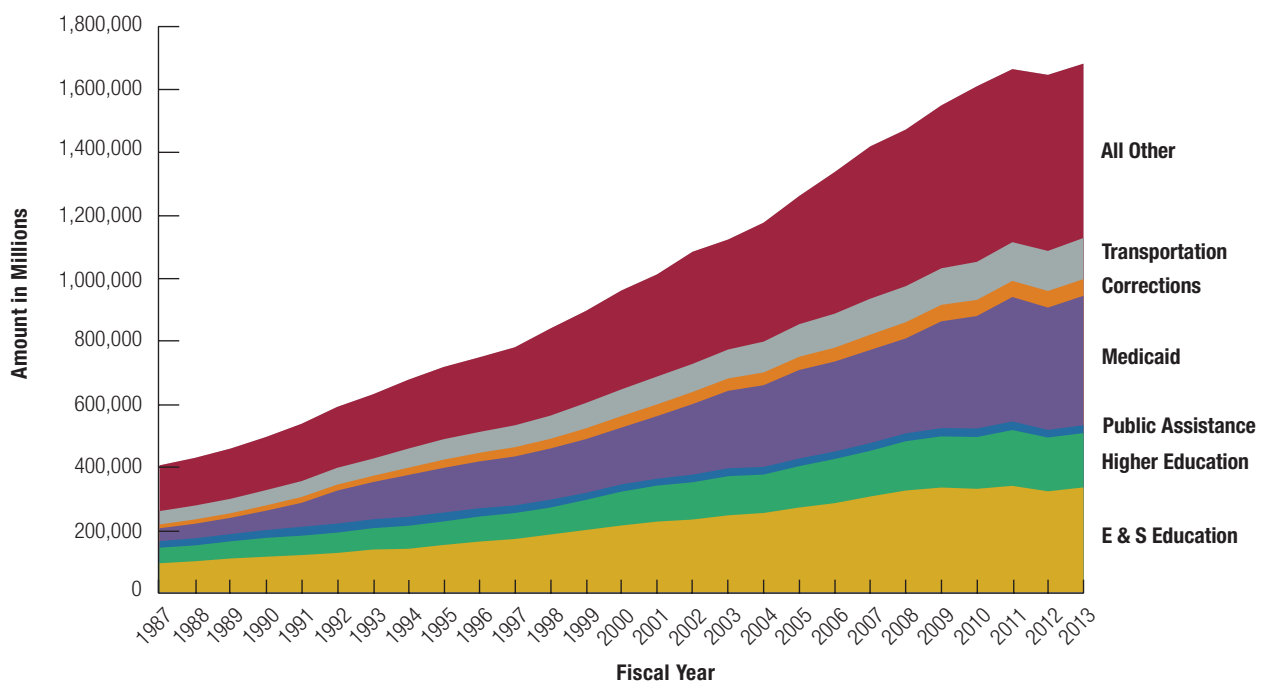
The shares of state spending for the seven functional areas tracked in the *State Expenditure Report* have shifted since 1987, when the report was first published. For example, in total state spending, Medicaid surpassed higher education as the second largest state program in 1990, and in 2003 it became the largest, displacing elementary and secondary education. Since 2003, Medicaid and elementary and secondary education have alternated as the largest share of total state spending. Whereas in fiscal 2008 elementary and secondary education was the largest component, in fiscal 2009 Medicaid represented the largest share, due to increased Medicaid enrollment and spending resulting from the economic decline. In fiscal 2014 Medicaid continued to grow as a percentage of total state expenditures, representing 25.8 percent, while elementary and secondary education 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 2014. Also, Table 5, at the end of the Executive Summary, highlights the share of each state's budget represented by various programs in fiscal 2013 and shows the wide variation among states in their spending patterns.

## General Fund Expenditures

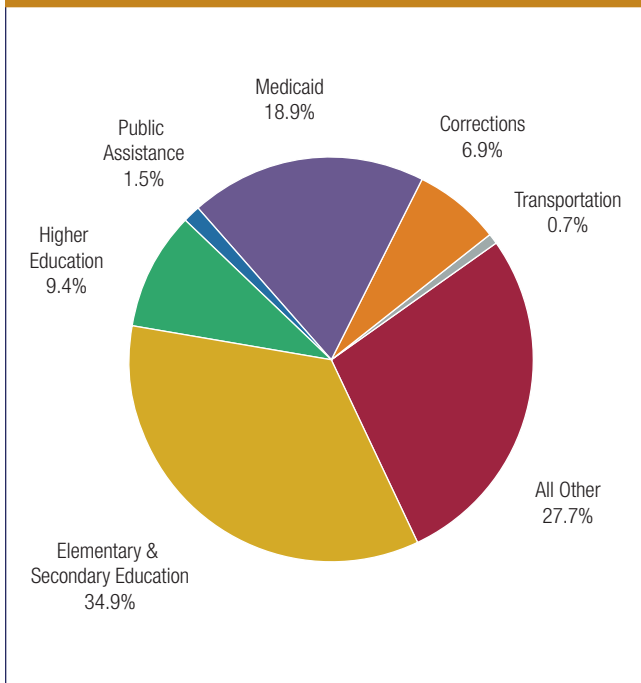
Expenditures for elementary and secondary education continue to constitute the largest share of state general fund spending. As Figure 6 shows, in fiscal 2013, 34.9 percent of general fund spending went to elementary and secondary education. Medicaid accounted for 18.9 percent and higher education accounted for 9.4 percent of general fund spending.

Figure 7 reflects the percentage change for general fund spending in each of the functional categories. In fiscal 2013, higher education was the only program area to experience a decline while in fiscal 2014, only public assistance saw a decrease in spending. Overall, general fund spending increased 4.3 percent in fiscal 2013 and is estimated to have increased 4.8 percent in fiscal 2014.

**FIGURE 5:**  
**COMPOSITION OF TOTAL STATE EXPENDITURES BY FUNCTION, FISCAL 1987 TO 2013**



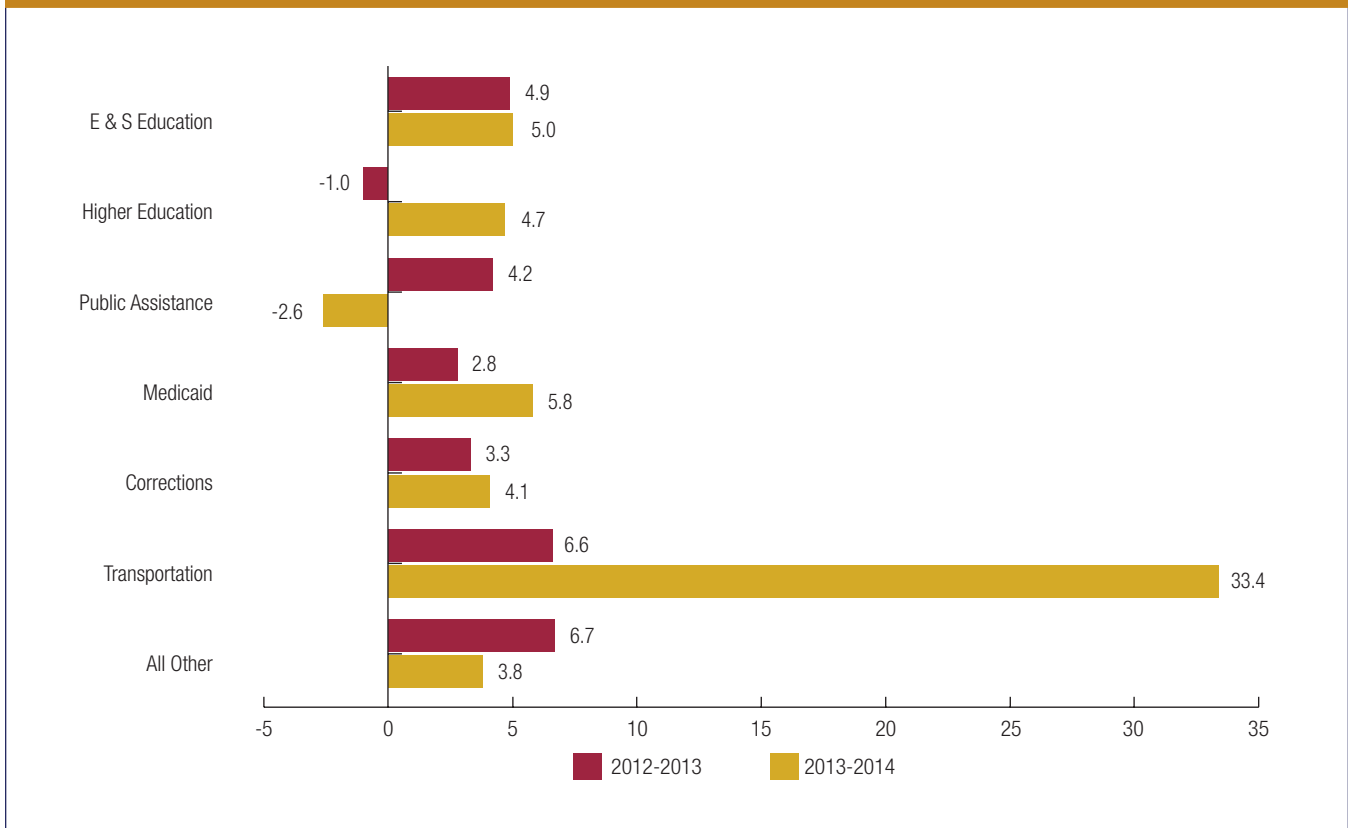
**FIGURE 6:  
GENERAL FUND EXPENDITURES, FISCAL 2013**



### Other State Funds Expenditures

Trailing only the “all other” category, higher education and transportation account for the next largest portions of other state funds spending for fiscal 2013, at 18.2 percent and 15.2 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).

**FIGURE 7:  
PERCENT CHANGE IN GENERAL FUND, FISCAL 2013 AND 2014**



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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$18,782	\$2,631	\$3,439	\$2,656	\$27,508	\$19,026	\$2,613	\$3,712	\$2,501	\$27,852	\$17,045	\$5,501	\$3,893	\$2,962	\$29,401
Maine	3,087	2,649	2,309	61	8,106	3,041	2,563	2,059	16	7,679	3,150	2,696	2,180	63	8,089
Massachusetts	25,826	16,157	13,303	1,827	57,113	26,771	15,530	13,459	1,781	57,541	29,018	15,135	12,734	2,173	59,060
New Hampshire	1,280	1,650	1,965	81	4,976	1,266	1,604	2,060	87	5,017	1,253	1,703	2,122	71	5,149
Rhode Island	3,110	2,599	2,000	198	7,907	3,216	2,520	1,973	157	7,866	3,289	2,543	1,970	79	7,881
Vermont	1,277	1,831	1,853	56	5,017	1,352	1,695	1,845	73	4,965	1,389	1,771	1,993	116	5,269
<b>MID-ATLANTIC</b>															
Delaware	3,592	1,777	3,388	185	8,942	3,659	1,783	3,281	439	9,162	3,794	1,903	3,459	452	9,608
Maryland	14,951	9,058	9,906	957	34,872	15,127	9,184	10,809	1,135	36,255	15,684	9,859	11,795	1,111	38,449
New Jersey	30,379	10,998	5,911	1,358	48,646	31,202	12,041	6,194	1,374	50,811	32,511	13,566	7,063	1,225	54,365
New York	56,489	40,311	32,843	3,861	133,504	58,960	38,574	32,305	3,258	133,097	61,243	41,171	31,672	3,440	137,526
Pennsylvania	27,031	24,177	32,159	1,379	84,746	27,717	23,945	32,916	800	85,378	28,492	23,810	33,899	1,265	87,466
<b>GREAT LAKES</b>															
Illinois	29,291	14,007	14,426	2,122	59,846	30,309	15,472	17,552	1,954	65,287	30,740	19,964	19,652	2,382	72,738
Indiana	13,579	9,272	3,344	0	26,195	14,189	10,357	3,625	0	28,171	14,553	9,978	2,729	0	27,260
Michigan	8,619	17,549	20,844	275	47,287	8,882	17,424	20,766	326	47,398	9,828	20,632	20,777	235	51,472
Ohio	26,395	13,144	16,370	2,013	57,922	27,439	12,647	15,996	2,186	58,268	28,902	13,046	17,141	2,133	61,222
Wisconsin	13,381	10,572	17,371	0	41,324	14,042	10,815	17,912	0	42,769	14,634	11,006	19,253	0	44,893
<b>PLAINS</b>															
Iowa	6,010	6,551	6,072	229	18,862	6,299	5,727	7,398	107	19,531	6,641	6,122	7,316	71	20,150
Kansas	6,098	4,153	3,737	408	14,396	6,135	3,890	3,529	415	13,969	6,026	3,511	5,132	381	15,050
Minnesota	16,580	8,170	4,855	609	30,214	18,739	8,435	5,090	810	33,074	19,678	9,492	6,183	780	36,133
Missouri	7,938	7,539	7,887	0	23,364	8,022	7,209	7,712	0	22,943	8,348	7,208	7,622	0	23,178
Nebraska	3,445	2,988	3,443	0	9,876	3,589	3,014	3,559	0	10,162	3,792	2,817	3,933	0	10,542
North Dakota	2,223	1,884	1,902	11	6,020	2,220	1,536	1,950	6	5,712	3,237	1,590	1,949	17	6,793
South Dakota	1,207	1,507	939	35	3,688	1,291	1,494	1,278	35	4,098	1,442	1,420	1,227	21	4,110
<b>SOUTHEAST</b>															
Alabama	7,380	9,439	7,455	324	24,598	7,121	9,482	7,693	224	24,520	7,835	9,288	6,770	495	24,388
Arkansas	4,582	6,278	9,693	135	20,688	4,755	6,082	10,405	203	21,445	4,865	6,511	11,212	155	22,743
Florida	23,054	24,570	13,971	1,395	62,990	24,490	24,272	14,340	869	63,971	26,690	25,416	21,445	689	74,240
Georgia	17,240	12,469	10,802	632	41,143	18,019	13,046	10,571	808	42,444	19,121	11,834	10,424	850	42,229
Kentucky	9,334	8,687	7,628	0	25,649	9,426	8,001	8,246	0	25,673	9,705	9,614	9,516	0	28,835
Louisiana	8,359	10,616	7,793	320	27,088	8,421	10,241	8,277	378	27,317	8,612	11,091	9,071	373	29,147
Mississippi	4,526	7,590	5,566	353	18,035	4,736	7,755	5,237	784	18,512	4,888	8,197	5,591	257	18,933
North Carolina	20,195	14,513	14,562	652	49,922	20,230	12,691	9,953	231	43,105	21,082	12,850	9,914	383	44,229
South Carolina	5,517	9,284	7,164	123	22,088	6,200	7,800	8,208	0	22,208	6,329	6,993	8,116	0	21,438
Tennessee	11,685	12,806	5,674	254	30,419	12,093	12,532	5,565	301	30,491	13,465	13,231	5,367	266	32,329
Virginia	16,986	9,212	15,890	1,284	43,372	18,833	9,546	16,191	1,167	45,737	18,052	9,568	17,071	908	45,599
West Virginia	4,144	4,064	13,611	78	21,897	4,283	4,075	13,885	77	22,320	4,256	4,412	15,142	78	23,888
<b>SOUTHWEST</b>															
Arizona	8,414	12,299	6,783	585	28,081	8,714	12,008	6,946	629	28,297	8,848	12,837	7,220	629	29,534
New Mexico	5,464	5,790	3,121	0	14,375	5,651	5,799	3,246	0	14,696	5,893	6,126	4,207	0	16,226
Oklahoma	6,575	7,122	7,088	146	20,931	6,991	6,923	7,372	144	21,430	7,101	7,425	7,620	155	22,301
Texas	44,549	32,324	14,886	1,308	93,067	42,645	30,884	18,159	1,556	93,244	49,394	34,676	15,979	1,197	101,246
<b>ROCKY MOUNTAIN</b>															
Colorado	7,311	7,691	13,775	0	28,777	7,948	7,423	13,664	0	29,035	8,684	7,756	13,847	0	30,287
Idaho	2,504	2,383	1,349	33	6,269	2,691	2,648	1,342	10	6,691	2,789	2,814	1,741	28	7,372
Montana	1,764	2,131	2,024	0	5,919	1,947	2,115	1,978	0	6,040	2,041	2,149	1,998	0	6,188
Utah	4,742	3,588	3,039	453	11,822	5,011	3,446	3,734	488	12,679	5,317	3,644	3,946	481	13,388
Wyoming	2,455	1,547	1,748	0	5,750	3,709	2,354	3,069	0	9,132	3,031	2,082	2,532	0	7,645
<b>FAR WEST</b>															
Alaska	7,400	3,017	1,322	50	11,789	7,262	2,730	1,296	550	11,838	7,053	2,971	1,567	0	11,591
California	86,405	73,063	33,853	6,104	199,425	96,562	70,431	37,724	6,715	211,432	100,711	81,059	39,528	8,689	229,987
Hawaii	5,511	1,932	3,285	766	11,494	5,666	1,912	3,271	735	11,584	6,275	2,148	3,337	825	12,585
Nevada	3,062	2,554	1,977	29	7,622	3,182	2,918	2,756	41	8,897	3,278	2,823	2,625	19	8,745
Oregon	6,925	7,753	12,007	329	27,014	5,957	7,451	12,263	132	25,803	7,925	8,090	12,250	158	28,423
Washington	15,279	8,049	8,136	1,711	33,175	15,479	8,100	8,785	1,632	33,996	15,867	9,102	9,304	1,683	35,956
<b>TOTAL*</b>	<b>\$661,932</b>	<b>\$511,945</b>	<b>\$444,468</b>	<b>\$35,385</b>	<b>\$1,653,730</b>	<b>\$690,515</b>	<b>\$502,737</b>	<b>\$461,156</b>	<b>\$35,134</b>	<b>\$1,689,542</b>	<b>\$723,796</b>	<b>\$541,151</b>	<b>\$483,034</b>	<b>\$37,295</b>	<b>\$1,785,276</b>

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



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

Region/State	Fiscal 2012 to 2013				Fiscal 2013 to 2014			
	General Funds	State Funds	Federal Funds	All Funds	General Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>								
Connecticut	1.3 %	2.3 %	-0.7 %	1.3 %	-10.4 %	-7.9 %	110.5 %	5.6 %
Maine	-1.5	-5.5	-3.2	-5.3	3.6	4.5	5.2	5.3
Massachusetts	3.7	2.8	-3.9	0.7	8.4	3.8	-2.5	2.6
New Hampshire	-1.1	2.5	-2.8	0.8	-1.0	1.5	6.2	2.6
Rhode Island	3.4	1.5	-3.0	-0.5	2.3	1.3	0.9	0.2
Vermont	5.9	2.1	-7.4	-1.0	2.7	5.8	4.5	6.1
<b>MID-ATLANTIC</b>								
Delaware	1.9	-0.6	0.3	2.5	3.7	4.5	6.7	4.9
Maryland	1.2	4.3	1.4	4.0	3.7	5.9	7.3	6.1
New Jersey	2.7	3.0	9.5	4.5	4.2	5.8	12.7	7.0
New York	4.4	2.2	-4.3	-0.3	3.9	1.8	6.7	3.3
Pennsylvania	2.5	2.4	-1.0	0.7	2.8	2.9	-0.6	2.4
<b>GREAT LAKES</b>								
Illinois	3.5	9.5	10.5	9.1	1.4	5.3	29.0	11.4
Indiana	4.5	5.3	11.7	7.5	2.6	-3.0	-3.7	-3.2
Michigan	3.1	0.6	-0.7	0.2	10.7	3.2	18.4	8.6
Ohio	4.0	1.6	-3.8	0.6	5.3	6.0	3.2	5.1
Wisconsin	4.9	3.9	2.3	3.5	4.2	6.0	1.8	5.0
<b>PLAINS</b>								
Iowa	4.8	13.4	-12.6	3.5	5.4	1.9	6.9	3.2
Kansas	0.6	-1.7	-6.3	-3.0	-1.8	15.5	-9.7	7.7
Minnesota	13.0	11.2	3.2	9.5	5.0	8.5	12.5	9.2
Missouri	1.1	-0.6	-4.4	-1.8	4.1	1.5	0.0	1.0
Nebraska	4.2	3.8	0.9	2.9	5.7	8.1	-6.5	3.7
North Dakota	-0.1	1.1	-18.5	-5.1	45.8	24.4	3.5	18.9
South Dakota	7.0	19.7	-0.9	11.1	11.7	3.9	-5.0	0.3
<b>SOUTHEAST</b>								
Alabama	-3.5	-0.1	0.5	-0.3	10.0	-1.4	-2.0	-0.5
Arkansas	3.8	6.2	-3.1	3.7	2.3	6.0	7.1	6.1
Florida	6.2	4.9	-1.2	1.6	9.0	24.0	4.7	16.1
Georgia	4.5	2.0	4.6	3.2	6.1	3.3	-9.3	-0.5
Kentucky	1.0	4.2	-7.9	0.1	3.0	8.8	20.2	12.3
Louisiana	0.7	3.4	-3.5	0.8	2.3	5.9	8.3	6.7
Mississippi	4.6	-1.2	2.2	2.6	3.2	5.1	5.7	2.3
North Carolina	0.2	-13.2	-12.6	-13.7	4.2	2.7	1.3	2.6
South Carolina	12.4	13.6	-16.0	0.5	2.1	0.3	-10.3	-3.5
Tennessee	3.5	1.7	-2.1	0.2	11.3	6.6	5.6	6.0
Virginia	10.9	6.5	3.6	5.5	-4.1	0.3	0.2	-0.3
West Virginia	3.4	2.3	0.3	1.9	-0.6	6.8	8.3	7.0
<b>SOUTHWEST</b>								
Arizona	3.6	3.0	-2.4	0.8	1.5	2.6	6.9	4.4
New Mexico	3.4	3.6	0.2	2.2	4.3	13.5	5.6	10.4
Oklahoma	6.3	5.1	-2.8	2.4	1.6	2.5	7.3	4.1
Texas	-4.3	2.3	-4.5	0.2	15.8	7.5	12.3	8.6
<b>ROCKY MOUNTAIN</b>								
Colorado	8.7	2.5	-3.5	0.9	9.3	4.3	4.5	4.3
Idaho	7.5	4.7	11.1	6.7	3.6	12.3	6.3	10.2
Montana	10.4	3.6	-0.8	2.0	4.8	2.9	1.6	2.5
Utah	5.7	12.4	-4.0	7.2	6.1	5.9	5.7	5.6
Wyoming	51.1	61.3	52.2	58.8	-18.3	-17.9	-11.6	-16.3
<b>FAR WEST</b>								
Alaska	-1.9	-1.9	-9.5	0.4	-2.9	0.7	8.8	-2.1
California	11.8	11.7	-3.6	6.0	4.3	4.4	15.1	8.8
Hawaii	2.8	1.6	-1.0	0.8	10.7	7.6	12.3	8.6
Nevada	3.9	17.8	14.3	16.7	3.0	-0.6	-3.3	-1.7
Oregon	-14.0	-3.8	-3.9	-4.5	33.0	10.7	8.6	10.2
Washington	1.3	3.6	0.6	2.5	2.5	3.7	12.4	5.8
<b>TOTAL*</b>	<b>4.3 %</b>	<b>4.1 %</b>	<b>-1.8 %</b>	<b>2.2 %</b>	<b>4.8 %</b>	<b>4.8 %</b>	<b>7.6 %</b>	<b>5.7 %</b>

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 2014

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>FY 1995:</b>								
General Funds	33.4	12.9	4.4	14.4	6.7	0.7	27.4	100.0
Other State Funds	9.5	13.3	0.5	6.9	0.8	23.8	45.2	100.0
Federal Funds	9.8	2.7	6.5	42.7	0.1	9.8	28.3	100.0
Bond Funds	4.9	20.8	0.0	0.0	10.2	26.3	37.7	100.0
<b>Total Funds</b>	<b>21.0</b>	<b>10.4</b>	<b>4.0</b>	<b>19.8</b>	<b>3.6</b>	<b>9.1</b>	<b>32.1</b>	<b>100.0</b>
<b>FY 1996:</b>								
General Funds	34.4	12.9	3.9	14.7	6.9	0.6	25.6	100.0
Other State Funds	9.2	13.7	0.4	6.8	0.8	22.9	46.2	100.0
Federal Funds	9.9	2.9	5.9	43.5	0.2	9.5	28.0	100.0
Bond Funds	15.2	21.4	0.0	0.0	6.5	26.1	30.8	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.7</b>	<b>3.5</b>	<b>19.9</b>	<b>3.7</b>	<b>8.0</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 1997:</b>								
General Funds	34.5	13.0	3.6	14.6	6.8	0.8	26.7	100.0
Other State Funds	10.1	13.8	0.4	6.4	0.9	23.0	44.6	100.0
Federal Funds	9.8	2.9	5.1	44.1	0.4	8.8	28.9	100.0
Bond Funds	12.5	20.2	0.0	0.0	6.6	26.5	34.2	100.0
<b>Total Funds</b>	<b>21.7</b>	<b>10.7</b>	<b>3.1</b>	<b>20.0</b>	<b>3.7</b>	<b>9.0</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 1998:</b>								
General Funds	35.2	13.1	3.0	14.8	6.9	0.7	26.4	100.0
Other State Funds	9.4	11.3	1.0	6.3	0.8	22.2	49.1	100.0
Federal Funds	10.5	3.4	5.0	43.3	0.4	8.7	28.8	100.0
Bond Funds	12.4	18.4	0.0	0.0	6.0	33.4	29.8	100.0
<b>Total Funds</b>	<b>22.0</b>	<b>10.3</b>	<b>2.9</b>	<b>19.6</b>	<b>3.7</b>	<b>8.8</b>	<b>32.8</b>	<b>100.0</b>
<b>FY 1999:</b>								
General Funds	35.7	12.4	2.7	14.4	7.0	0.9	26.7	100.0
Other State Funds	9.0	13.0	0.6	6.5	1.0	23.4	46.5	100.0
Federal Funds	10.2	5.2	4.3	42.9	0.4	9.3	27.7	100.0
Bond Funds	21.0	17.2	0.0	0.0	6.5	25.6	29.8	100.0
<b>Total Funds</b>	<b>22.3</b>	<b>10.8</b>	<b>2.6</b>	<b>19.5</b>	<b>3.9</b>	<b>9.1</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 2000:</b>								
General Funds	35.7	12.8	2.7	14.4	7.0	0.9	26.7	100.0
Other State Funds	8.6	14.2	0.8	4.2	0.9	22.9	48.4	100.0
Federal Funds	10.3	5.3	4.2	42.8	0.4	9.3	27.7	100.0
Bond Funds	20.2	18.1	0.0	0.0	5.7	26.2	29.8	100.0
<b>Total Funds</b>	<b>22.3</b>	<b>11.4</b>	<b>2.6</b>	<b>19.5</b>	<b>3.9</b>	<b>9.1</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 2001:</b>								
General Funds	35.2	12.7	2.3	15.2	6.9	1.2	26.6	100.0
Other State Funds	9.2	15.0	0.2	5.9	0.9	21.1	47.0	100.0
Federal Funds	10.3	4.8	4.0	42.7	0.3	9.5	28.3	100.0
Bond Funds	18.9	17.5	0.0	0.0	4.0	31.3	28.4	100.0
<b>Total Funds</b>	<b>22.2</b>	<b>11.3</b>	<b>2.2</b>	<b>19.7</b>	<b>3.7</b>	<b>8.8</b>	<b>32.1</b>	<b>100.0</b>
<b>FY 2002:</b>								
General Funds	35.1	12.4	2.3	15.8	6.9	0.7	25.9	100.0
Other State Funds	8.9	13.8	0.3	6.6	0.9	19.4	49.8	100.0
Federal Funds	10.1	5.0	4.2	43.7	0.4	9.2	27.4	100.0
Bond Funds	12.7	20.4	0.0	0.0	3.4	25.0	38.5	100.0
<b>Total Funds</b>	<b>21.3</b>	<b>10.9</b>	<b>2.3</b>	<b>20.7</b>	<b>3.6</b>	<b>8.3</b>	<b>32.9</b>	<b>100.0</b>
<b>FY 2003:</b>								
General Funds	35.8	12.5	2.3	17.2	7.2	0.6	24.5	100.0
Other State Funds	9.2	14.3	0.3	7.5	0.9	20	47.9	100.0
Federal Funds	10.6	5.7	4.1	43.8	0.3	8.6	26.9	100.0
Bond Funds	28.3	16.9	0.0	0.0	2.5	19.1	33.1	100.0
<b>Total Funds</b>	<b>21.8</b>	<b>11.1</b>	<b>2.2</b>	<b>22</b>	<b>3.5</b>	<b>8.2</b>	<b>31.2</b>	<b>100.0</b>
<b>FY 2004:</b>								
General Funds	35.8	11.7	2.3	16.9	7.0	0.5	25.8	100.0
Other State Funds	8.5	13.6	0.2	7.4	0.7	19.9	49.8	100.0
Federal Funds	11.3	4.7	3.6	44.6	0.7	8.4	26.9	100.0
Bond Funds	20.9	21.2	0.0	0.0	2.6	26.8	28.4	100.0
<b>Total Funds</b>	<b>21.4</b>	<b>10.4</b>	<b>2.2</b>	<b>22.1</b>	<b>3.5</b>	<b>8.3</b>	<b>32.2</b>	<b>100.0</b>
<b>FY 2005:</b>								
General Funds	35.4	11.6	2.2	17.1	6.9	0.5	26.2	100.0
Other State Funds	8.5	14.1	0.1	8.3	0.7	19.5	48.9	100.0
Federal Funds	11.6	4.4	3.2	44.2	0.3	8.7	27.4	100.0
Bond Funds	17.0	25.3	0.0	0.0	2.8	25.5	29.4	100.0
<b>Total Funds</b>	<b>21.4</b>	<b>10.4</b>	<b>1.8</b>	<b>22.3</b>	<b>3.3</b>	<b>8.2</b>	<b>32.4</b>	<b>100.0</b>
<b>FY 2006:</b>								
General Funds	34.4	11.3	2.1	17.4	6.7	0.8	27.2	100.0
Other State Funds	8.1	14.2	0.1	7.3	0.7	18.5	51.1	100.0
Federal Funds	12.1	4.6	3.0	42.9	0.2	8.7	28.5	100.0
Bond Funds	17.9	24.0	0.0	0.0	3.4	26.1	28.6	100.0
<b>Total Funds</b>	<b>21.2</b>	<b>10.5</b>	<b>1.8</b>	<b>21.4</b>	<b>3.3</b>	<b>8.1</b>	<b>33.7</b>	<b>100.0</b>
<b>FY 2007:</b>								
General Funds	34.1	11.0	2.0	16.6	6.8	1.1	28.4	100.0
Other State Funds	9.4	14.5	0.1	7.3	0.7	17.7	50.3	100.0
Federal Funds	12.0	4.1	3.1	43.1	0.3	8.6	28.9	100.0
Bond Funds	12.4	18.1	0.0	0.0	3.2	32.4	33.8	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.2</b>	<b>1.7</b>	<b>20.9</b>	<b>3.4</b>	<b>8.1</b>	<b>34.2</b>	<b>100.0</b>
<b>FY 2008:</b>								
General Funds	35.0	11.7	1.9	16.0	7.0	0.8	27.6	100.0
Other State Funds	10.2	15.2	0.1	7.3	0.7	17.5	49.0	100.0
Federal Funds	11.7	3.7	3.1	43.0	0.2	8.6	29.7	100.0
Bond Funds	9.6	19.2	0.0	0.0	2.7	30.5	37.9	100.0
<b>Total Funds</b>	<b>22.0</b>	<b>10.7</b>	<b>1.7</b>	<b>20.5</b>	<b>3.5</b>	<b>7.8</b>	<b>33.9</b>	<b>100.0</b>

Table 3 continues on next page.

**TABLE 3 (CONTINUED)**

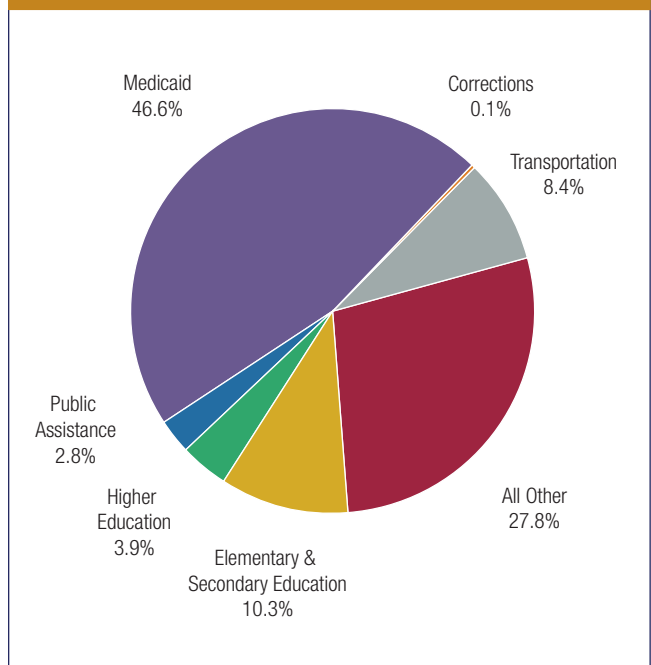
**COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2014**

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>FY 2009:</b>								
General Funds	35.2	11.5	1.9	16.3	7.2	0.7	26.8	100.0
Other State Funds	10.1	15.2	0.1	6.8	0.6	16.4	50.8	100.0
Federal Funds	12.2	4.2	2.9	44.6	0.3	7.8	28.0	100.0
Bond Funds	15.0	20.9	0.0	0.0	3.0	30.0	31.0	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.5</b>	<b>1.7</b>	<b>21.9</b>	<b>3.4</b>	<b>7.5</b>	<b>33.4</b>	<b>100.0</b>
<b>FY 2010:</b>								
General Funds	35.5	11.5	1.9	14.8	7.4	0.7	28.1	100.0
Other State Funds	9.8	16.7	0.1	7.6	0.7	16.1	49.0	100.0
Federal Funds	12.2	3.6	2.7	42.2	0.4	7.1	31.7	100.0
Bond Funds	8.3	20.3	0.0	0.0	3.0	34.6	33.8	100.0
<b>Total Funds</b>	<b>20.4</b>	<b>10.2</b>	<b>1.7</b>	<b>22.2</b>	<b>3.2</b>	<b>7.5</b>	<b>34.7</b>	<b>100.0</b>
<b>FY 2011:</b>								
General Funds	35.3	11.3	1.9	16.5	7.3	0.5	27.3	100.0
Other State Funds	8.7	18.0	0.1	9.8	0.6	15.8	47.1	100.0
Federal Funds	12.7	4.0	2.7	44.2	0.3	7.2	29.0	100.0
Bond Funds	12.3	16.8	0.0	0.0	1.6	33.9	35.4	100.0
<b>Total Funds</b>	<b>20.3</b>	<b>10.7</b>	<b>1.6</b>	<b>23.8</b>	<b>3.1</b>	<b>7.4</b>	<b>33.1</b>	<b>100.0</b>
<b>FY 2012:</b>								
General Funds	34.7	9.9	1.5	19.2	6.9	0.7	27.1	100.0
Other State Funds	7.8	18.1	0.1	8.8	1.2	15.5	48.5	100.0
Federal Funds	10.7	4.0	2.7	43.9	0.2	8.2	30.1	100.0
Bond Funds	8.3	16.0	0.0	0.0	1.9	35.0	38.8	100.0
<b>Total Funds</b>	<b>19.5</b>	<b>10.4</b>	<b>1.5</b>	<b>23.6</b>	<b>3.2</b>	<b>7.7</b>	<b>34.0</b>	<b>100.0</b>
<b>FY 2013:</b>								
General Funds	34.9	9.4	1.5	18.9	6.9	0.7	27.7	100.0
Other State Funds	8.6	18.2	0.1	10.6	1.0	15.2	46.4	100.0
Federal Funds	10.3	3.9	2.8	46.6	0.1	8.4	27.8	100.0
Bond Funds	7.0	15.2	0.0	0.0	1.4	40.3	36.1	100.0
<b>Total Funds</b>	<b>19.8</b>	<b>10.3</b>	<b>1.5</b>	<b>24.5</b>	<b>3.2</b>	<b>7.8</b>	<b>33.0</b>	<b>100.0</b>
<b>FY 2014:</b>								
General Funds	35.0	9.4	1.4	19.1	6.8	0.9	27.4	100.0
Other State Funds	8.1	18.1	0.1	9.6	1.0	15.8	47.4	100.0
Federal Funds	9.9	3.7	2.6	51.0	0.1	7.7	25.0	100.0
Bond Funds	6.9	13.5	0.0	0.0	1.5	33.9	44.3	100.0
<b>Total Funds</b>	<b>19.5</b>	<b>10.1</b>	<b>1.4</b>	<b>25.8</b>	<b>3.1</b>	<b>7.7</b>	<b>32.4</b>	<b>100.0</b>
<b>FY 1995-14 Combined Total:</b>								
General Funds	35.0	11.7	2.4	16.2	7.0	0.8	26.8	100.0
Other State Funds	9.0	14.9	0.3	7.4	0.8	19.3	48.1	100.0
Federal Funds	10.9	4.1	3.8	44.0	0.3	8.6	28.2	100.0
Bond Funds	14.1	19.1	0.0	0.0	3.9	29.4	33.5	100.0
<b>Total Funds</b>	<b>21.2</b>	<b>10.6</b>	<b>2.2</b>	<b>21.5</b>	<b>3.5</b>	<b>8.2</b>	<b>32.8</b>	<b>100.0</b>

**Federal Fund Expenditures**

As reflected in Figure 8, Medicaid accounts for the largest portion of state spending from federal funds in fiscal 2013 at 46.6 percent. Elementary and secondary education at 10.3 percent and transportation at 8.4 percent are the next largest categories.

**FIGURE 8:  
FEDERAL FUND EXPENDITURES, FISCAL 2013**



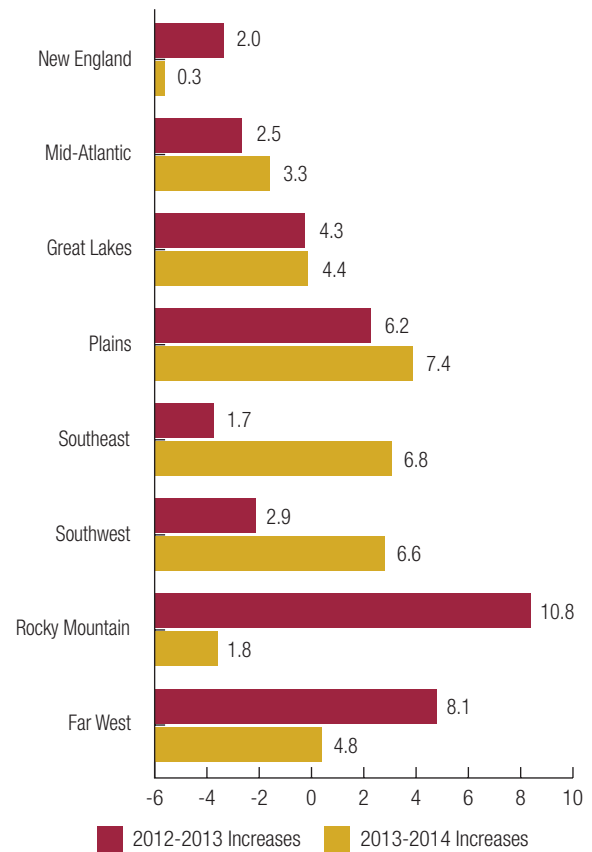
## Regional Spending Trends

Table 4 shows growth rates for each region of the United States, separated by state funds (general fund plus other state funds, not including bond funds) and federal funds. The growth rate for all states increased 2.2 percent in fiscal 2013, with all eight regions recording at least moderate growth. In fiscal 2014, total estimated state spending increased 5.7 percent, with all regions experiencing spending growth of at least 2 percent.

Figure 9 shows the percentage change in state spending from state funds for 2012-2013 and 2013-2014. In fiscal 2013 and estimated fiscal 2014, all eight regions recorded growth in state funds. The largest growth in fiscal 2013 was in the Rocky Mountains, while the Plains recorded the strongest growth in fiscal 2014.

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 2013 AND 2014**



**TABLE 4**  
**REGIONAL PERCENTAGE CHANGE IN TOTAL EXPENDITURES, FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	2.0 %	-3.6 %	0.3 %	0.3 %	10.6 %	3.5 %
Mid-Atlantic	2.5	-0.9	1.3	3.3	5.6	4.0
Great Lakes	4.3	3.4	4.0	4.4	11.9	6.5
Plains	6.2	-4.5	2.9	7.4	2.7	5.9
Southeast	1.7	-3.1	0.0	6.8	2.8	5.2
Southwest	2.9	-3.3	0.8	6.6	9.8	7.4
Rocky Mountain	10.8	3.7	8.6	1.8	2.6	2.0
Far West	8.1	-2.9	4.5	4.8	13.5	7.8
<b>ALL STATES</b>	<b>4.1 %</b>	<b>-1.8 %</b>	<b>2.2 %</b>	<b>4.8 %</b>	<b>7.6 %</b>	<b>5.7 %</b>

**TABLE 5**  
**STATE SPENDING BY FUNCTION AS A PERCENT OF TOTAL STATE EXPENDITURES, FISCAL 2013**

Region/State	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>NEW ENGLAND</b>								
Connecticut	14.1 %	10.6 %	1.4 %	21.8 %	2.3 %	9.7 %	40.2 %	100.0 %
Maine	16.9	3.6	2.3	32.7	1.8	8.2	34.6	100.0
Massachusetts	11.2	10.1	2.7	18.7	2.3	6.6	48.5	100.0
New Hampshire	23.4	2.2	1.7	25.6	2.0	10.0	35.0	100.0
Rhode Island	14.9	13.0	1.4	24.8	2.6	6.3	37.0	100.0
Vermont	32.0	1.8	2.3	28.3	2.9	10.9	21.7	100.0
<b>MID-ATLANTIC</b>								
Delaware	24.3	4.6	0.3	17.2	3.0	8.7	42.0	100.0
Maryland	19.2	14.5	3.8	21.0	4.0	10.0	27.5	100.0
New Jersey	24.9	7.9	0.9	20.4	3.1	10.0	32.8	100.0
New York	19.3	7.6	3.0	29.1	2.5	6.4	32.1	100.0
Pennsylvania	14.9	2.1	1.5	26.9	2.6	7.5	44.6	100.0
<b>GREAT LAKES</b>								
Illinois	13.3	3.7	0.3	23.8	2.1	8.4	48.4	100.0
Indiana	30.8	6.1	1.4	31.2	2.7	8.3	19.6	100.0
Michigan	27.2	4.2	0.7	26.4	4.6	7.8	29.0	100.0
Ohio	17.0	4.3	1.5	29.2	3.2	5.1	39.8	100.0
Wisconsin	16.2	14.3	0.3	17.2	2.9	6.9	42.1	100.0
<b>PLAINS</b>								
Iowa	16.4	26.0	0.5	19.8	2.1	6.8	28.3	100.0
Kansas	26.8	18.2	0.2	18.5	2.7	7.2	26.4	100.0
Minnesota	29.2	4.7	1.4	24.3	1.5	10.7	28.2	100.0
Missouri	22.8	4.8	0.7	35.8	2.7	9.4	23.8	100.0
Nebraska	14.6	23.3	0.5	17.9	2.2	7.8	33.6	100.0
North Dakota	15.0	19.0	0.1	13.7	1.9	16.1	34.2	100.0
South Dakota	14.1	22.3	0.7	19.9	2.5	15.0	25.5	100.0
<b>SOUTHEAST</b>								
Alabama	20.4	19.9	0.2	22.8	2.4	6.5	27.7	100.0
Arkansas	15.6	15.4	2.0	21.0	2.1	5.8	38.0	100.0
Florida	19.3	8.5	0.3	31.8	3.9	10.9	25.4	100.0
Georgia	24.1	19.0	0.1	21.3	3.7	5.7	26.2	100.0
Kentucky	19.6	26.7	0.9	21.9	2.4	9.8	18.8	100.0
Louisiana	19.3	10.3	0.5	25.1	3.0	6.2	35.7	100.0
Mississippi	16.4	16.1	5.9	26.1	2.0	6.7	26.7	100.0
North Carolina	24.8	12.4	0.5	30.0	4.6	10.7	17.0	100.0
South Carolina	17.6	19.5	0.4	22.0	2.7	5.4	32.4	100.0
Tennessee	17.8	13.9	0.4	30.8	2.8	6.1	28.2	100.0
Virginia	15.1	15.3	0.4	16.7	2.8	11.0	38.7	100.0
West Virginia	10.5	13.7	0.5	13.5	1.1	5.2	55.6	100.0
<b>SOUTHWEST</b>								
Arizona	18.6	14.3	1.2	29.8	3.5	5.6	27.0	100.0
New Mexico	19.5	19.3	1.0	25.0	2.0	5.7	27.4	100.0
Oklahoma	16.2	22.7	0.9	23.0	2.6	7.1	27.5	100.0
Texas	27.4	15.7	0.1	31.7	3.6	8.9	12.6	100.0
<b>ROCKY MOUNTAIN</b>								
Colorado	26.0	8.3	0.0	22.0	2.6	8.5	32.6	100.0
Idaho	24.2	8.1	0.2	28.0	3.8	9.6	25.9	100.0
Montana	15.5	10.1	0.5	17.9	3.2	11.0	41.8	100.0
Utah	23.6	11.5	0.6	17.2	2.1	10.4	34.6	100.0
Wyoming	10.9	4.8	0.0	6.6	1.4	6.4	70.0	100.0
<b>FAR WEST</b>								
Alaska	13.7	9.2	1.1	12.2	3.3	19.5	41.0	100.0
California	21.4	6.6	3.9	25.1	5.0	6.0	31.9	100.0
Hawaii	15.5	10.9	0.8	14.4	2.0	9.9	46.5	100.0
Nevada	22.3	8.5	0.6	22.7	3.2	7.4	35.3	100.0
Oregon	14.3	1.1	0.7	21.4	3.9	6.1	52.6	100.0
Washington	23.4	14.3	0.9	11.9	2.7	8.9	38.0	100.0
<b>ALL STATES</b>	<b>19.8 %</b>	<b>10.3 %</b>	<b>1.5 %</b>	<b>24.5 %</b>	<b>3.2 %</b>	<b>7.8 %</b>	<b>33.0 %</b>	<b>100.0 %</b>

Note: Percentages may not add to 100.

## General Notes

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

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

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

**Alabama:** Amounts shown in fiscal years 2012 and 2013 are based on actual expenditures during these years, regardless of the year appropriated. Fiscal 2014 amounts shown are equal to actual expenditures through 9 months and then annualized for the year.

**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:** Data are compiled from multiple sources, such as agency annual financial reports, Texas Comptroller publications, the General Appropriations Act, and Legislative Budget Board online resources. Methodologies employed by these sources may differ somewhat between each other and across time. In addition, the report was compiled according to NASBO methodologies.

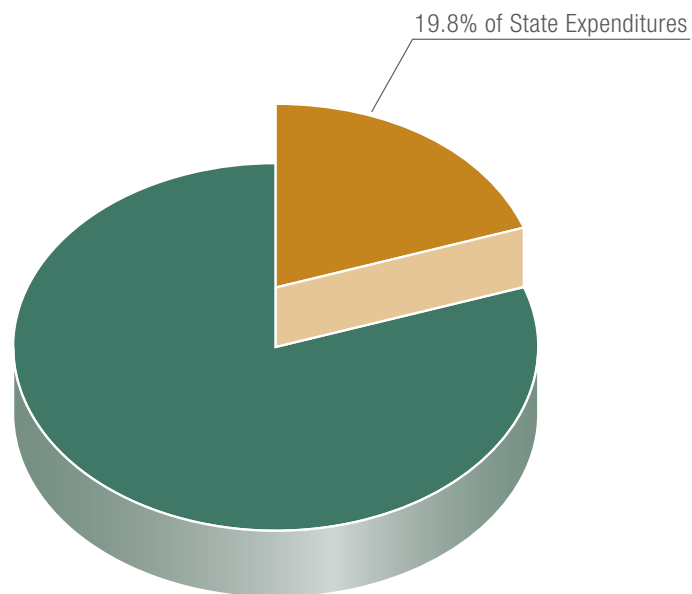
**Wyoming:** Part of Wyoming’s yearly variation in expenditure totals is due to the fact that the state budgets on a two year cycle.

# 1

CHAPTER



## ELEMENTARY & SECONDARY EDUCATION



## Elementary and Secondary Education Expenditures

State elementary and secondary education expenditures totaled \$334.8 billion in fiscal 2013, a 3.9 percent increase over the previous year. State funding to K-12 education increased by 6.2 percent, more than offsetting the 6.0 percent decline in federal funding. The decrease in federal funds was due largely to the continued wind-down in education funds to states under the *American Recovery and Reinvestment Act of 2009* (ARRA). In fiscal 2013, states received \$2.1 billion in ARRA funds for elementary and secondary education, compared to \$6.0 billion in fiscal 2012. General funds comprised 72.0 percent of state elementary and secondary education spending, federal funds comprised 15.4 percent, other state funds comprised 11.8 percent, and bonds comprised 0.7 percent (see Figure 10) in fiscal 2013.

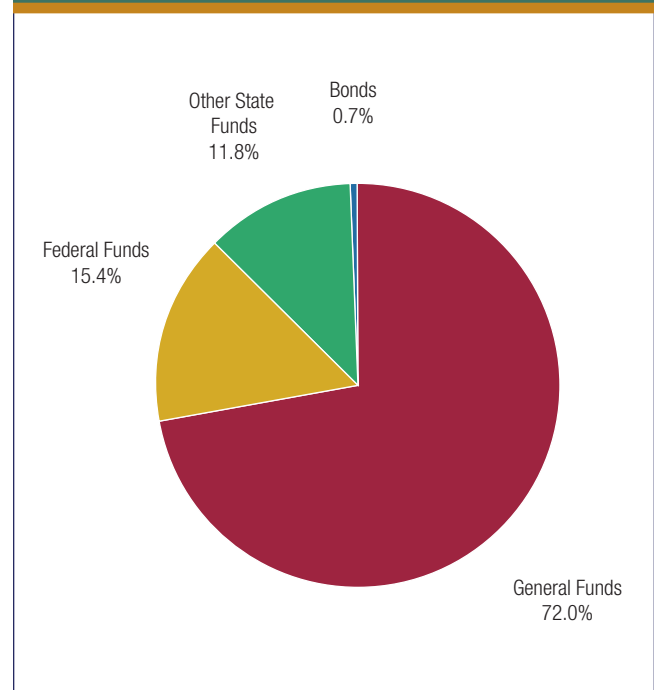
In fiscal 2014, it is estimated that overall elementary and secondary expenditures grew by 4.1 percent, with state funds increasing by 4.2 percent and federal funds increasing by 3.7 percent. States continue to restore some prior cuts to K-12 education as the economy and state revenues grow modestly. During the midst of the national recession, state funds for elementary and secondary education declined by 1.3 percent in fiscal 2009 and 5.2 percent in fiscal 2010.

While elementary and secondary education has historically been the largest category of total state spending, it was surpassed by Medicaid in fiscal 2009. In fiscal 2013, Medicaid comprised 24.5 percent of total state spending and K-12 represented 19.8 percent. Elementary and secondary education remains by far the largest component of general fund spending in fiscal 2013 at 34.9 percent, compared to 18.9 percent for Medicaid.

## Sources of Funding

State funding systems for education vary greatly. Over the years, a number of states have moved toward increasing their share of funding for elementary and secondary education by substituting state funds for local funds, often in order to reduce local governments' reliance on property taxes. Funds are distributed to schools both through general funds on a per-pupil basis and as categorical grants to support specific programs or needs. The federal share serves mainly as a source of supplemental funding for poor school districts and also helps cover the cost of educating children with special needs. However, federal funds provided to states through ARRA have mostly been used to maintain basic educational services. According to the U.S. Census Bureau's report on public education finances, 45.5 percent of elementary and secondary education revenue came from states, 44.5 percent from localities, and 10.0 percent from the federal government in fiscal 2012.

**FIGURE 10**  
**STATE EXPENDITURES FOR ELEMENTARY AND SECONDARY EDUCATION BY FUND SOURCE, FISCAL 2013**





## Regional Expenditures

The following table shows percentage changes in expenditures for elementary and secondary education for fiscal 2012-2013 and 2013-2014 by region. In fiscal 2013, all regions except the Southwest saw a net increase in total state spending for K-12 education.

**TABLE 6**  
**REGIONAL PERCENTAGE CHANGE IN STATE ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES, FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	4.3 %	-4.3 %	3.3 %	4.3 %	7.7 %	5.0 %
Mid-Atlantic	4.0	-16.6	0.8	2.9	8.9	3.8
Great Lakes	2.6	-6.6	0.6	6.5	12.7	7.3
Plains	13.2	-6.4	10.1	0.8	-0.8	0.6
Southeast	6.3	-5.1	3.9	3.6	0.4	3.1
Southwest	-1.9	0.4	-1.5	7.6	-3.0	5.5
Rocky Mountain	12.0	-12.4	8.9	2.4	-0.1	2.1
Far West	12.6	0.3	10.0	4.2	2.6	4.0
<b>ALL STATES</b>	<b>6.2 %</b>	<b>-6.0 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>3.7 %</b>	<b>4.1 %</b>

## ESEA Reauthorization & Flexibility Requests

The *Elementary and Secondary Education Act* (ESEA), and its current reauthorization known as “No Child Left Behind” (NCLB), continues to await a new reauthorization by Congress. No Child Left Behind created a series of new accountability standards as well as made funding changes. Due to the delay in reauthorization of ESEA, the U.S. Department of Education in 2011 began making available flexibility waivers to states that develop their own rigorous accountability systems designed to focus on college- and career-readiness for students, close achievement gaps, promote equity and improve instructional quality. Thirty-five of the 45 waivers granted to states and territories were set to expire after the 2013-2014 school year, and all 35 states submitted requests for a waiver extension. As of October 2014, 30 extension requests were approved, two were denied, and the remaining three were still awaiting a decision.

## Elementary and Secondary Education—Expenditure Exclusions

When comparing resources spent on elementary and secondary education, it is important to understand the types of programs states exclude from these figures. For this report, 13 states wholly or partially excluded employer contributions to teacher pensions and 15 states wholly or partially excluded contributions to health benefits. Additionally, other items that are wholly or partially excluded include: day care programs (38 states), school health care (38), Head Start (32), and libraries (27). 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 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$2,769	\$556	\$3	\$506	\$3,834	\$2,880	\$484	\$10	\$563	\$3,937	\$3,039	\$476	\$2	\$628	\$4,145
Maine	1,046	16	0	0	1,062	1,087	202	8	0	1,297	1,150	194	30	0	1,374
Massachusetts	5,161	1,173	4	0	6,338	5,407	1,004	5	0	6,416	5,622	1,259	5	0	6,886
New Hampshire	0	208	956	7	1,171	0	199	959	14	1,172	0	178	954	1	1,133
Rhode Island	861	235	27	0	1,123	928	214	29	1	1,172	941	173	33	2	1,149
Vermont	337	137	1,077	8	1,559	357	121	1,103	8	1,589	376	116	1,173	7	1,672
<b>MID-ATLANTIC</b>															
Delaware	1,156	244	659	138	2,197	1,194	211	681	141	2,227	1,243	208	700	168	2,319
Maryland*	5,709	980	121	0	6,810	5,552	969	437	0	6,958	5,691	1,110	408	0	7,209
New Jersey	11,110	869	18	0	11,997	11,754	856	20	0	12,630	12,499	818	15	0	13,332
New York	18,508	4,908	3,009	17	26,442	19,070	3,407	3,164	16	25,657	19,279	3,927	3,310	17	26,533
Pennsylvania	9,258	2,430	618	0	12,306	9,705	2,423	618	0	12,746	9,971	2,507	617	0	13,095
<b>GREAT LAKES</b>															
Illinois	6,739	2,029	35	0	8,803	6,539	2,128	34	0	8,701	6,687	3,007	77	0	9,771
Indiana	7,277	1,231	135	0	8,643	7,452	1,057	171	0	8,680	7,625	980	120	0	8,725
Michigan*	102	1,907	10,383	0	12,392	312	1,743	10,841	0	12,896	185	1,915	11,372	0	13,472
Ohio*	6,530	2,239	814	474	10,057	6,831	2,000	751	312	9,894	7,128	1,912	1,045	201	10,286
Wisconsin	5,841	848	230	0	6,919	5,915	782	238	0	6,935	7,145	875	253	0	8,273
<b>PLAINS</b>															
Iowa	2,694	435	44	0	3,173	2,731	444	31	0	3,206	2,866	460	69	0	3,395
Kansas	3,077	471	166	0	3,714	3,092	479	171	0	3,742	2,964	468	367	0	3,799
Minnesota	6,616	779	44	1	7,440	8,865	745	44	1	9,655	8,473	785	42	3	9,303
Missouri	2,770	1,086	1,425	0	5,281	2,914	957	1,358	0	5,229	2,922	943	1,426	0	5,291
Nebraska	1,047	395	66	0	1,508	1,088	328	72	0	1,488	1,142	303	77	0	1,522
North Dakota	620	154	56	0	830	660	141	57	0	858	838	113	73	0	1,024
South Dakota	358	169	3	0	530	402	173	3	0	578	401	168	5	0	574
<b>SOUTHEAST</b>															
Alabama*	3,909	969	183	0	5,061	3,773	967	273	0	5,013	4,017	1,388	187	0	5,592
Arkansas	2,000	615	765	0	3,380	2,056	519	767	0	3,342	2,103	519	815	0	3,437
Florida	8,264	2,204	767	20	11,255	9,448	2,098	787	1	12,334	10,034	1,961	841	0	12,836
Georgia*	7,061	2,241	331	232	9,865	7,380	2,353	334	167	10,234	7,601	2,011	318	239	10,169
Kentucky	4,129	919	32	0	5,080	4,141	846	34	0	5,021	4,202	797	35	0	5,034
Louisiana	3,341	1,104	863	0	5,308	3,370	1,042	847	0	5,259	3,526	1,115	783	0	5,424
Mississippi	1,993	795	328	0	3,116	2,011	705	324	0	3,040	2,068	760	400	0	3,228
North Carolina	7,580	1,438	549	0	9,567	8,784	1,420	502	0	10,706	9,146	1,420	502	0	11,068
South Carolina	1,995	824	690	0	3,509	2,264	890	749	0	3,903	2,416	901	735	0	4,052
Tennessee	4,046	1,261	63	0	5,370	4,160	1,165	89	0	5,414	4,359	1,258	84	0	5,701
Virginia	4,979	1,358	607	0	6,944	5,254	1,029	645	0	6,928	5,302	967	678	0	6,947
West Virginia	1,950	369	16	23	2,358	1,969	346	14	23	2,352	1,970	340	14	23	2,347
<b>SOUTHWEST</b>															
Arizona	3,375	1,169	533	89	5,166	3,465	1,123	590	88	5,266	3,621	1,078	674	87	5,460
New Mexico	2,366	421	1	0	2,788	2,455	414	1	0	2,870	2,556	414	2	0	2,972
Oklahoma	2,357	755	338	0	3,450	2,368	662	444	0	3,474	2,269	667	555	0	3,491
Texas	18,026	4,778	3,530	14	26,348	14,726	4,954	5,902	3	25,585	18,503	4,780	4,044	3	27,330
<b>ROCKY MOUNTAIN</b>															
Colorado*	2,833	656	3,781	0	7,270	3,015	614	3,918	0	7,547	3,153	594	4,169	0	7,916
Idaho	1,241	293	77	0	1,611	1,299	243	80	0	1,622	1,328	237	89	0	1,654
Montana	629	173	115	0	917	697	162	77	0	936	721	163	86	0	970
Utah	2,409	469	37	0	2,915	2,534	433	30	0	2,997	2,534	481	76	0	3,091
Wyoming	7	98	131	0	236	2	28	964	0	994	0	3	763	0	766
<b>FAR WEST</b>															
Alaska	1,292	233	54	0	1,579	1,364	209	43	0	1,616	1,379	228	43	0	1,650
California	32,102	6,261	122	1,216	39,701	37,979	6,307	127	872	45,285	38,830	6,647	79	1,060	46,616
Hawaii*	1,458	284	56	0	1,798	1,444	287	63	0	1,794	1,537	303	49	0	1,889
Nevada	1,116	251	431	0	1,798	1,214	384	382	0	1,980	1,286	259	422	0	1,967
Oregon	2,967	661	164	0	3,792	2,527	560	593	0	3,680	3,351	593	182	0	4,126
Washington	6,789	887	126	191	7,993	6,735	856	109	264	7,964	7,207	798	400	137	8,542
<b>TOTAL</b>	<b>\$229,800</b>	<b>\$54,985</b>	<b>\$34,583</b>	<b>\$2,936</b>	<b>\$322,304</b>	<b>\$241,169</b>	<b>\$51,683</b>	<b>\$39,493</b>	<b>\$2,474</b>	<b>\$334,819</b>	<b>\$253,206</b>	<b>\$53,577</b>	<b>\$39,198</b>	<b>\$2,576</b>	<b>\$348,557</b>

\*See notes at the end of the chapter.

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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	13.9 %	14.1 %	14.1 %
Maine	13.1	16.9	17.0
Massachusetts	11.1	11.2	11.7
New Hampshire	23.5	23.4	22.0
Rhode Island	14.2	14.9	14.6
Vermont	31.1	32.0	31.7
<b>MID-ATLANTIC</b>			
Delaware	24.6	24.3	24.1
Maryland	19.5	19.2	18.7
New Jersey	24.7	24.9	24.5
New York	19.8	19.3	19.3
Pennsylvania	14.5	14.9	15.0
<b>GREAT LAKES</b>			
Illinois	14.7	13.3	13.4
Indiana	33.0	30.8	32.0
Michigan	26.2	27.2	26.2
Ohio	17.4	17.0	16.8
Wisconsin	16.7	16.2	18.4
<b>PLAINS</b>			
Iowa	16.8	16.4	16.8
Kansas	25.8	26.8	25.2
Minnesota	24.6	29.2	25.7
Missouri	22.6	22.8	22.8
Nebraska	15.3	14.6	14.4
North Dakota	13.8	15.0	15.1
South Dakota	14.4	14.1	14.0
<b>SOUTHEAST</b>			
Alabama	20.6	20.4	22.9
Arkansas	16.3	15.6	15.1
Florida	17.9	19.3	17.3
Georgia	24.0	24.1	24.1
Kentucky	19.8	19.6	17.5
Louisiana	19.6	19.3	18.6
Mississippi	17.3	16.4	17.0
North Carolina	19.2	24.8	25.0
South Carolina	15.9	17.6	18.9
Tennessee	17.7	17.8	17.6
Virginia	16.0	15.1	15.2
West Virginia	10.8	10.5	9.8
<b>SOUTHWEST</b>			
Arizona	18.4	18.6	18.5
New Mexico	19.4	19.5	18.3
Oklahoma	16.5	16.2	15.7
Texas	28.3	27.4	27.0
<b>ROCKY MOUNTAIN</b>			
Colorado	25.3	26.0	26.1
Idaho	25.7	24.2	22.4
Montana	15.5	15.5	15.7
Utah	24.7	23.6	23.1
Wyoming	4.1	10.9	10.0
<b>FAR WEST</b>			
Alaska	13.4	13.7	14.2
California	19.9	21.4	20.3
Hawaii	15.6	15.5	15.0
Nevada	23.6	22.3	22.5
Oregon	14.0	14.3	14.5
Washington	24.1	23.4	23.8
<b>ALL STATES</b>	<b>19.5 %</b>	<b>19.8 %</b>	<b>19.5 %</b>

TABLE 9

## ANNUAL PERCENTAGE CHANGE IN ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	4.3 %	-12.9 %	2.7 %	5.2 %	-1.7 %	5.3 %
Maine	4.7	1,162.5	22.1	7.8	-4.0	5.9
Massachusetts	4.8	-14.4	1.2	4.0	25.4	7.3
New Hampshire	0.3	-4.3	0.1	-0.5	-10.6	-3.3
Rhode Island	7.8	-8.9	4.4	1.8	-19.2	-2.0
Vermont	3.3	-11.7	1.9	6.1	-4.1	5.2
<b>MID-ATLANTIC</b>						
Delaware	3.3	-13.5	1.4	3.6	-1.4	4.1
Maryland	2.7	-1.1	2.2	1.8	14.6	3.6
New Jersey	5.8	-1.5	5.3	6.3	-4.4	5.6
New York	3.3	-30.6	-3.0	1.6	15.3	3.4
Pennsylvania	4.5	-0.3	3.6	2.6	3.5	2.7
<b>GREAT LAKES</b>						
Illinois	-3.0	4.9	-1.2	2.9	41.3	12.3
Indiana	2.8	-14.1	0.4	1.6	-7.3	0.5
Michigan	6.4	-8.6	4.1	3.6	9.9	4.5
Ohio	3.2	-10.7	-1.6	7.8	-4.4	4.0
Wisconsin	1.4	-7.8	0.2	20.2	11.9	19.3
<b>PLAINS</b>						
Iowa	0.9	2.1	1.0	6.3	3.6	5.9
Kansas	0.6	1.7	0.8	2.1	-2.3	1.5
Minnesota	33.8	-4.4	29.8	-4.4	5.4	-3.6
Missouri	1.8	-11.9	-1.0	1.8	-1.5	1.2
Nebraska	4.2	-17.0	-1.3	5.1	-7.6	2.3
North Dakota	6.1	-8.4	3.4	27.1	-19.9	19.3
South Dakota	12.2	2.4	9.1	0.2	-2.9	-0.7
<b>SOUTHEAST</b>						
Alabama	-1.1	-0.2	-0.9	3.9	43.5	11.5
Arkansas	2.1	-15.6	-1.1	3.4	0.0	2.8
Florida	13.3	-4.8	9.6	6.3	-6.5	4.1
Georgia*	4.4	5.0	3.7	2.7	-14.5	-0.6
Kentucky	0.3	-7.9	-1.2	1.5	-5.8	0.3
Louisiana	0.3	-5.6	-0.9	2.2	7.0	3.1
Mississippi	0.6	-11.3	-2.4	5.7	7.8	6.2
North Carolina	14.2	-1.3	11.9	3.9	0.0	3.4
South Carolina	12.2	8.0	11.2	4.6	1.2	3.8
Tennessee	3.4	-7.6	0.8	4.6	8.0	5.3
Virginia	5.6	-24.2	-0.2	1.4	-6.0	0.3
West Virginia	0.9	-6.2	-0.3	0.1	-1.7	-0.2
<b>SOUTHWEST</b>						
Arizona	3.8	-3.9	1.9	5.9	-4.0	3.7
New Mexico	3.8	-1.7	2.9	4.2	0.0	3.6
Oklahoma	4.3	-12.3	0.7	0.4	0.8	0.5
Texas	-4.3	3.7	-2.9	9.3	-3.5	6.8
<b>ROCKY MOUNTAIN</b>						
Colorado	4.8	-6.4	3.8	5.6	-3.3	4.9
Idaho	4.6	-17.1	0.7	2.8	-2.5	2.0
Montana	4.0	-6.4	2.1	4.3	0.6	3.6
Utah	4.8	-7.7	2.8	1.8	11.1	3.1
Wyoming	600.0	-71.4	321.2	-21.0	-89.3	-22.9
<b>FAR WEST</b>						
Alaska	4.5	-10.3	2.3	1.1	9.1	2.1
California	18.3	0.7	14.1	2.1	5.4	2.9
Hawaii	-0.5	1.1	-0.2	5.2	5.6	5.3
Nevada	3.2	53.0	10.1	7.0	-32.6	-0.7
Oregon	-0.4	-15.3	-3.0	13.2	5.9	12.1
Washington	-1.0	-3.5	-0.4	11.1	-6.8	7.3
<b>ALL STATES</b>	<b>6.2 %</b>	<b>-6.0 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>3.7 %</b>	<b>4.1 %</b>

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
<b>NEW ENGLAND</b>						
Connecticut	X	X		X	P	P
Maine			X	X	X	P
Massachusetts	X	X				
New Hampshire			X	X	X	
Rhode Island			X	X	X	P
Vermont			X	X	X	X
<b>MID-ATLANTIC</b>						
Delaware					X	P
Maryland				X		P
New Jersey		P	X		X	P
New York	P	P	X		X	P
Pennsylvania				X	X	X
<b>GREAT LAKES</b>						
Illinois						
Indiana	P	P	X	P	P	X
Michigan*	P	P	X		X	X
Ohio						
Wisconsin	X	X				X
<b>PLAINS</b>						
Iowa			X			
Kansas		X	X	X	X	X
Minnesota	P	P				X
Missouri	X	X	X	X	X	X
Nebraska	P	P	X	X	X	X
North Dakota			X	X	X	X
South Dakota					X	X
<b>SOUTHEAST</b>						
Alabama				X	X	X
Arkansas			P		P	P
Florida			X	X	X	X
Georgia			X	X		
Kentucky				X	X	
Louisiana			X	X	X	X
Mississippi			P		X	
North Carolina						X
South Carolina			X	X		X
Tennessee					P	P
Virginia					X	
West Virginia			X	X	X	X
<b>SOUTHWEST</b>						
Arizona			X		X	X
New Mexico						P
Oklahoma			X	X	X	X
Texas			X	P	P	P
<b>ROCKY MOUNTAIN</b>						
Colorado*	P	X	X	P	X	
Idaho			X		X	X
Montana	P	P	X	P	X	
Utah			X		X	X
Wyoming						
<b>FAR WEST</b>						
Alaska				X	X	X
California			X		X	X
Hawaii*	P	P	X		X	X
Nevada			X	X	X	X
Oregon			X	P	X	X
Washington	P	P	X	X	X	X
<b>ALL STATES</b>	<b>13</b>	<b>15</b>	<b>32</b>	<b>27</b>	<b>38</b>	<b>38</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Elementary and Secondary Education Notes

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

**Alabama:** Federal funds received directly by local school systems are not reported at the state budget level.

**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.

**Georgia:** Estimated federal funds expenditures in FY 2014 reflect amounts as appropriated in the annual appropriations act. The Georgia State Constitution allows for federal funds to be “continuously appropriated” throughout the fiscal year and additional federal funds are amended into the budget with approval of the Governor’s Office of Planning and Budget as they become available during the fiscal year.

**Maryland:** In fiscal 2013, other state funds growth is due to the increased use of lottery funds to finance education local aid.

**Michigan:** Figures reflect K-12 education, the Michigan Department of Education, adult education and pre-school. Employer contributions to current employees’ pensions and health benefits are reported for Department of Education employees and partially excluded for employees of K-12 schools. Effective for fiscal 2013, state funds partially offset employer-paid retirement obligations for employees of K-12 schools. Fiscal 2012 figures are adjusted from the 2012 published survey to remove \$459 million School Aid Fund revenue support for higher education spending inadvertently reported under elementary and secondary education. Actual ARRA expenditures will be recorded with the fiscal 2014 annual financial report.

**Ohio:** Debt service appropriations for school construction is no longer included in the elementary and secondary education category.

# 2

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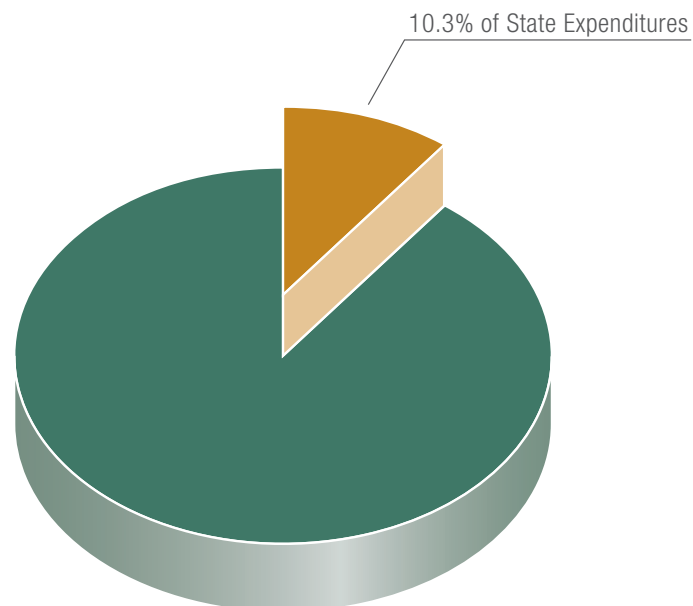
## CHAPTER

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# HIGHER EDUCATION EXPENDITURES

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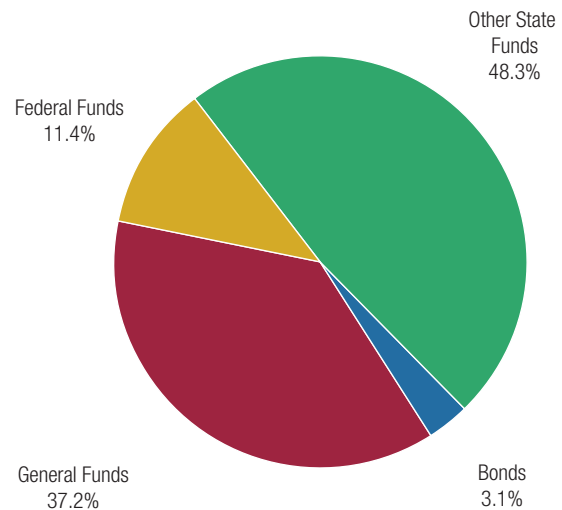


## Higher Education Expenditures

State higher education spending reflects financial support of public university systems, community colleges, and vocational education institutions. In fiscal 2013, states spent \$173.6 billion on higher education, 10.3 percent of total state spending, and 9.4 percent of general fund expenditures. General funds account for 37.2 percent of state spending on higher education, other state funds 48.3 percent, federal funds 11.4 percent, and bonds 3.1 percent (see Figure 11 and Table 12).

Overall, total state higher education spending rose by a modest 1.0 percent in fiscal 2013. State funds (general funds plus other state funds) increased by 1.9 percent, which was partially offset by a 3.6 percent decline in federal funds. The drop in federal funds is due primarily to the continued wind-down of *American Recovery and Reinvestment Act* (ARRA) funds, with states spending just \$358 million in ARRA higher education funds in fiscal 2013, compared to \$1.1 billion in fiscal 2012. In fiscal 2014, estimated total state higher education spending growth accelerated, increasing 3.7 percent, with state funds rising 4.6 percent while federal funds further declined by 0.4 percent.

**FIGURE 11**  
STATE EXPENDITURES FOR HIGHER EDUCATION BY FUND SOURCE, FISCAL 2013



**TABLE 11**  
REGIONAL PERCENTAGE CHANGE IN STATE HIGHER EDUCATION EXPENDITURES, FISCAL 2013 AND 2014

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	5.5 %	-5.9 %	4.0 %	4.9 %	-0.5 %	3.9 %
Mid-Atlantic	0.6	-4.2	0.8	5.0	2.9	4.8
Great Lakes	3.6	-4.8	1.2	3.9	-3.2	3.8
Plains	9.1	-9.6	6.8	3.3	5.8	3.0
Southeast	4.2	-5.2	3.2	4.2	1.6	3.4
Southwest	-0.4	0.2	-0.3	3.1	1.4	3.2
Rocky Mountain	1.3	-5.9	0.6	-6.1	-31.3	-8.5
Far West	-7.8	-2.2	-7.2	11.7	-2.1	7.4
<b>ALL STATES</b>	<b>1.9 %</b>	<b>-3.6 %</b>	<b>1.0 %</b>	<b>4.6 %</b>	<b>-0.4 %</b>	<b>3.7 %</b>



## Capital Spending

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State expenditures for higher education-related construction, renovation and other capital projects increased slightly by 0.6 percent in fiscal 2013, and are estimated to decrease 4.9 percent in fiscal 2014 (see Table 48).

## Regional Expenditures

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The following table shows regional percentage changes in expenditures for higher education for fiscal 2012-2013 and 2013-2014 by region.

## Financing Issues

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Higher education represents the third largest component of total state spending, and is also the third largest component of general fund spending. However, as a share of general fund spending, higher education expenditures have been shrinking, as spending in other program areas like Medicaid has been on the rise. For example, in fiscal 1995, higher education comprised 12.9 percent of general fund spending, while in fiscal 2013, higher education spending made up 9.4 percent of general fund expenditures. Accordingly, over that same period, general funds went from making up 58.2 percent of total state spending on higher education in fiscal 1995 to 37.2 percent in fiscal 2013. This has caused the “Other State Funds” source (which for the vast majority of states includes tuition and fees) to surpass the general fund as the single largest fund source for state spending on higher education, making up 48.3 percent of total state higher education expenditures.

These trends reflect how an increasing share of the cost burden of higher education is being placed on students through higher tuition rates. The cost of college has been rising at rates above the rate of inflation. According to The College Board, tuition and fees continue to increase, though at a slower rate than in previous years. Average in-state tuition and fees

at four-year public institutions increased by 4.5 percent between the 2011-12 and 2012-13 academic years and by 2.9 percent between 2012-2013 and 2013-2014, after adjusting for inflation.

These financing trends raise important questions for states about college affordability and access, especially as states also try to boost educational attainment and completion rates. 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 and restricting tuition increases. In spring 2013, NASBO released a report entitled, *Improving Postsecondary Education through the Budget Process: Challenges & Opportunities*, describing the need for changes in how public higher education is financed to put it on a more fiscally sustainable path. The report examined recent trends in state and institutional spending, as well as the growing demand for postsecondary education. The report also presented a variety of opportunities for states and institutions to work together to target funding to improve student success, slow tuition and fee growth, expand access, increase productivity and efficiency, and develop more transparent cost, spending and outcome information in higher education.

## Higher Education—Expenditure Exclusions

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In calculating higher education expenditures for fiscal 2013, 11 states wholly or partially excluded tuition and fees, and 18 states wholly or partially excluded student loan programs. Additionally, other items that are wholly or partially excluded include: university research grants (32 states); vocational education (17); assistance to private colleges or universities (23); and employer contributions to pensions (14) and health benefits (14). Table 15 lists programs excluded from the expenditure data by state. Summary expenditure data can be found in Tables 12 through 14, accompanied by explanatory notes.

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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$661	\$362	\$1,485	\$317	<b>\$2,825</b>	\$627	\$359	\$1,660	\$311	<b>\$2,957</b>	\$677	\$357	\$1,737	\$322	<b>\$3,093</b>
Maine	259	2	3	10	<b>274</b>	265	0	7	3	<b>275</b>	270	0	8	7	<b>285</b>
Massachusetts	933	4	4,304	267	<b>5,508</b>	1,000	5	4,552	250	<b>5,807</b>	1,113	4	4,679	197	<b>5,993</b>
New Hampshire	60	0	26	47	<b>133</b>	75	0	13	24	<b>112</b>	109	0	3	15	<b>127</b>
Rhode Island	166	23	821	31	<b>1,041</b>	173	4	832	16	<b>1,025</b>	179	5	877	14	<b>1,075</b>
Vermont	80	0	7	4	<b>91</b>	80	0	7	4	<b>91</b>	84	0	6	3	<b>93</b>
<b>MID-ATLANTIC</b>															
Delaware	223	73	95	9	<b>400</b>	227	65	114	12	<b>418</b>	235	65	124	11	<b>435</b>
Maryland	1,615	350	2,895	206	<b>5,066</b>	1,594	348	3,045	278	<b>5,265</b>	1,713	353	3,248	302	<b>5,616</b>
New Jersey	2,179	21	1,707	0	<b>3,907</b>	2,209	19	1,773	0	<b>4,001</b>	2,369	21	1,773	0	<b>4,163</b>
New York	3,739	317	5,207	911	<b>10,174</b>	3,485	297	5,303	1,082	<b>10,167</b>	3,004	311	6,244	941	<b>10,500</b>
Pennsylvania	1,622	0	59	212	<b>1,893</b>	1,615	0	94	45	<b>1,754</b>	1,621	0	106	200	<b>1,927</b>
<b>GREAT LAKES</b>															
Illinois	2,088	286	52	227	<b>2,653</b>	1,977	249	52	118	<b>2,396</b>	1,983	249	52	210	<b>2,494</b>
Indiana	1,691	13	8	0	<b>1,712</b>	1,696	9	8	0	<b>1,713</b>	1,788	2	7	0	<b>1,797</b>
Michigan*	1,231	116	460	146	<b>1,953</b>	1,353	116	398	120	<b>1,987</b>	1,424	118	398	141	<b>2,081</b>
Ohio	2,183	27	32	167	<b>2,409</b>	2,289	23	37	165	<b>2,514</b>	2,305	22	26	208	<b>2,561</b>
Wisconsin	1,159	1,859	2,820	0	<b>5,838</b>	1,349	1,794	2,988	0	<b>6,131</b>	1,351	1,729	3,288	0	<b>6,368</b>
<b>PLAINS</b>															
Iowa	751	568	3,412	31	<b>4,762</b>	794	505	3,788	0	<b>5,087</b>	853	528	3,662	0	<b>5,043</b>
Kansas	739	673	952	64	<b>2,428</b>	759	623	1,108	56	<b>2,546</b>	755	647	1,162	56	<b>2,620</b>
Minnesota	1,275	5	25	114	<b>1,419</b>	1,295	5	29	216	<b>1,545</b>	1,392	6	36	149	<b>1,583</b>
Missouri	790	3	299	0	<b>1,092</b>	828	4	272	0	<b>1,104</b>	838	3	267	0	<b>1,108</b>
Nebraska	640	383	1,297	0	<b>2,320</b>	653	350	1,368	0	<b>2,371</b>	690	332	1,455	0	<b>2,477</b>
North Dakota	359	140	558	11	<b>1,068</b>	413	118	548	6	<b>1,085</b>	481	199	698	17	<b>1,395</b>
South Dakota	178	94	325	31	<b>628</b>	203	81	596	34	<b>914</b>	215	68	563	19	<b>865</b>
<b>SOUTHEAST</b>															
Alabama*	1,493	1,257	2,107	0	<b>4,857</b>	1,456	1,198	2,236	0	<b>4,890</b>	1,492	1,167	2,206	0	<b>4,865</b>
Arkansas	772	26	2,551	0	<b>3,349</b>	781	13	2,516	0	<b>3,310</b>	778	13	2,750	0	<b>3,541</b>
Florida	3,196	123	893	339	<b>4,551</b>	2,616	8	2,728	56	<b>5,408</b>	3,506	122	2,900	17	<b>6,545</b>
Georgia	2,055	62	5,386	188	<b>7,691</b>	2,098	62	5,462	431	<b>8,053</b>	2,241	65	5,608	407	<b>8,321</b>
Kentucky	1,225	920	4,457	0	<b>6,602</b>	1,167	954	4,733	0	<b>6,854</b>	1,178	888	4,858	0	<b>6,924</b>
Louisiana	984	172	1,507	30	<b>2,693</b>	995	153	1,617	43	<b>2,808</b>	540	125	2,136	68	<b>2,869</b>
Mississippi	842	183	2,052	9	<b>3,086</b>	777	169	2,009	29	<b>2,984</b>	645	179	2,267	7	<b>3,098</b>
North Carolina	3,553	22	2,764	4	<b>6,343</b>	2,573	21	2,751	0	<b>5,345</b>	2,629	23	2,752	0	<b>5,404</b>
South Carolina	571	716	3,232	123	<b>4,642</b>	608	621	3,106	0	<b>4,335</b>	599	726	3,110	0	<b>4,435</b>
Tennessee	1,442	226	2,151	80	<b>3,899</b>	1,550	209	2,289	197	<b>4,245</b>	1,687	256	2,273	159	<b>4,375</b>
Virginia	1,476	1,191	2,128	828	<b>5,623</b>	1,623	1,251	3,313	805	<b>6,992</b>	1,683	1,203	3,484	587	<b>6,957</b>
West Virginia	532	298	2,266	55	<b>3,151</b>	533	288	2,195	54	<b>3,050</b>	499	237	2,106	55	<b>2,897</b>
<b>SOUTHWEST</b>															
Arizona	762	785	2,028	333	<b>3,908</b>	757	753	2,205	339	<b>4,054</b>	780	783	2,426	333	<b>4,322</b>
New Mexico	717	657	1,365	0	<b>2,739</b>	758	664	1,418	0	<b>2,840</b>	796	673	1,442	0	<b>2,911</b>
Oklahoma	945	496	3,385	12	<b>4,838</b>	955	512	3,395	5	<b>4,867</b>	989	512	3,614	125	<b>5,240</b>
Texas	6,434	2,389	6,159	0	<b>14,982</b>	6,330	2,408	5,890	0	<b>14,628</b>	6,390	2,431	5,946	0	<b>14,767</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	635	446	1,510	0	<b>2,591</b>	642	438	1,330	0	<b>2,410</b>	702	286	868	0	<b>1,856</b>
Idaho	287	5	211	6	<b>509</b>	312	5	222	6	<b>545</b>	324	6	350	6	<b>686</b>
Montana	188	47	347	0	<b>582</b>	188	51	371	0	<b>610</b>	209	50	383	0	<b>642</b>
Utah	733	17	655	0	<b>1,405</b>	753	16	683	0	<b>1,452</b>	803	8	694	0	<b>1,505</b>
Wyoming	246	28	59	0	<b>333</b>	416	1	17	0	<b>434</b>	286	1	12	0	<b>299</b>
<b>FAR WEST</b>															
Alaska	444	159	428	50	<b>1,081</b>	580	130	385	0	<b>1,095</b>	511	154	430	0	<b>1,095</b>
California	8,815	4,908	70	201	<b>13,994</b>	9,014	4,868	42	90	<b>14,014</b>	10,454	4,776	43	116	<b>15,389</b>
Hawaii*	384	27	567	316	<b>1,294</b>	374	14	609	267	<b>1,264</b>	391	9	601	235	<b>1,236</b>
Nevada	473	3	250	15	<b>741</b>	473	3	276	8	<b>760</b>	481	3	261	7	<b>752</b>
Oregon*	313	49	168	136	<b>666</b>	204	44	24	0	<b>272</b>	346	40	37	0	<b>423</b>
Washington	1,185	75	4,833	126	<b>6,219</b>	1,164	46	3,386	255	<b>4,851</b>	1,334	16	3,577	91	<b>5,018</b>
<b>TOTAL</b>	<b>\$65,323</b>	<b>\$20,606</b>	<b>\$80,378</b>	<b>\$5,656</b>	<b>\$171,963</b>	<b>\$64,656</b>	<b>\$19,854</b>	<b>\$83,800</b>	<b>\$5,325</b>	<b>\$173,635</b>	<b>\$67,722</b>	<b>\$19,771</b>	<b>\$87,553</b>	<b>\$5,025</b>	<b>\$180,071</b>

\*See notes at the end of the chapter.

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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	10.3 %	10.6 %	10.5 %
Maine	3.4	3.6	3.5
Massachusetts	9.6	10.1	10.1
New Hampshire	2.7	2.2	2.5
Rhode Island	13.2	13.0	13.6
Vermont	1.8	1.8	1.8
<b>MID-ATLANTIC</b>			
Delaware	4.5	4.6	4.5
Maryland	14.5	14.5	14.6
New Jersey	8.0	7.9	7.7
New York	7.6	7.6	7.6
Pennsylvania	2.2	2.1	2.2
<b>GREAT LAKES</b>			
Illinois	4.4	3.7	3.4
Indiana	6.5	6.1	6.6
Michigan	4.1	4.2	4.0
Ohio	4.2	4.3	4.2
Wisconsin	14.1	14.3	14.2
<b>PLAINS</b>			
Iowa	25.2	26.0	25.0
Kansas	16.9	18.2	17.4
Minnesota	4.7	4.7	4.4
Missouri	4.7	4.8	4.8
Nebraska	23.5	23.3	23.5
North Dakota	17.7	19.0	20.5
South Dakota	17.0	22.3	21.0
<b>SOUTHEAST</b>			
Alabama	19.7	19.9	19.9
Arkansas	16.2	15.4	15.6
Florida	7.2	8.5	8.8
Georgia	18.7	19.0	19.7
Kentucky	25.7	26.7	24.0
Louisiana	9.9	10.3	9.8
Mississippi	17.1	16.1	16.4
North Carolina	12.7	12.4	12.2
South Carolina	21.0	19.5	20.7
Tennessee	12.8	13.9	13.5
Virginia	13.0	15.3	15.3
West Virginia	14.4	13.7	12.1
<b>SOUTHWEST</b>			
Arizona	13.9	14.3	14.6
New Mexico	19.1	19.3	17.9
Oklahoma	23.1	22.7	23.5
Texas	16.1	15.7	14.6
<b>ROCKY MOUNTAIN</b>			
Colorado	9.0	8.3	6.1
Idaho	8.1	8.1	9.3
Montana	9.8	10.1	10.4
Utah	11.9	11.5	11.2
Wyoming	5.8	4.8	3.9
<b>FAR WEST</b>			
Alaska	9.2	9.2	9.4
California	7.0	6.6	6.7
Hawaii	11.3	10.9	9.8
Nevada	9.7	8.5	8.6
Oregon	2.5	1.1	1.5
Washington	18.7	14.3	14.0
<b>ALL STATES</b>	<b>10.4 %</b>	<b>10.3 %</b>	<b>10.1 %</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	6.6 %	-0.8 %	4.7 %	5.6 %	-0.6 %	4.6 %
Maine	3.8	-100.0	0.4	2.2	—	3.6
Massachusetts	6.0	25.0	5.4	4.3	-20.0	3.2
New Hampshire	2.3	—	-15.8	27.3	—	13.4
Rhode Island	1.8	-82.6	-1.5	5.1	25.0	4.9
Vermont	0.0	—	0.0	3.4	—	2.2
<b>MID-ATLANTIC</b>						
Delaware	7.2	-11.0	4.5	5.3	0.0	4.1
Maryland	2.9	-0.6	3.9	6.9	1.4	6.7
New Jersey	2.5	-9.5	2.4	4.0	10.5	4.0
New York	-1.8	-6.3	-0.1	5.2	4.7	3.3
Pennsylvania	1.7	—	-7.3	1.1	—	9.9
<b>GREAT LAKES</b>						
Illinois	-5.2	-12.9	-9.7	0.3	0.0	4.1
Indiana	0.3	-30.8	0.1	5.3	-77.8	4.9
Michigan	3.5	0.0	1.7	4.1	1.7	4.7
Ohio	5.0	-14.8	4.4	0.2	-4.3	1.9
Wisconsin	9.0	-3.5	5.0	7.0	-3.6	3.9
<b>PLAINS</b>						
Iowa	10.1	-11.1	6.8	-1.5	4.6	-0.9
Kansas	10.4	-7.4	4.9	2.7	3.9	2.9
Minnesota	1.8	0.0	8.9	7.9	20.0	2.5
Missouri	1.0	33.3	1.1	0.5	-25.0	0.4
Nebraska	4.3	-8.6	2.2	6.1	-5.1	4.5
North Dakota	4.8	-15.7	1.6	22.7	68.6	28.6
South Dakota	58.8	-13.8	45.5	-2.6	-16.0	-5.4
<b>SOUTHEAST</b>						
Alabama	2.6	-4.7	0.7	0.2	-2.6	-0.5
Arkansas	-0.8	-50.0	-1.2	7.0	0.0	7.0
Florida	30.7	-93.5	18.8	19.9	1,425.0	21.0
Georgia	1.6	0.0	4.7	3.8	4.8	3.3
Kentucky	3.8	3.7	3.8	2.3	-6.9	1.0
Louisiana	4.9	-11.0	4.3	2.5	-18.3	2.2
Mississippi	-3.7	-7.7	-3.3	4.5	5.9	3.8
North Carolina	-15.7	-4.5	-15.7	1.1	9.5	1.1
South Carolina	-2.3	-13.3	-6.6	-0.1	16.9	2.3
Tennessee	6.8	-7.5	8.9	3.2	22.5	3.1
Virginia	37.0	5.0	24.3	4.7	-3.8	-0.5
West Virginia	-2.5	-10.1	-3.2	-4.5	-11.6	-5.0
<b>SOUTHWEST</b>						
Arizona	6.2	-4.1	3.7	8.2	4.0	6.6
New Mexico	4.5	1.1	3.7	2.8	1.4	2.5
Oklahoma	0.5	3.2	0.6	5.8	0.0	7.7
Texas	-3.0	0.8	-2.4	0.9	1.0	1.0
<b>ROCKY MOUNTAIN</b>						
Colorado	-8.1	-1.8	-7.0	-20.4	-34.7	-23.0
Idaho	7.2	0.0	7.1	26.2	20.0	25.9
Montana	4.5	8.5	4.8	5.9	-2.0	5.2
Utah	3.5	-5.9	3.3	4.2	-50.0	3.7
Wyoming	42.0	-96.4	30.3	-31.2	0.0	-31.1
<b>FAR WEST</b>						
Alaska	10.7	-18.2	1.3	-2.5	18.5	0.0
California	1.9	-0.8	0.1	15.9	-1.9	9.8
Hawaii	3.4	-48.1	-2.3	0.9	-35.7	-2.2
Nevada	3.6	0.0	2.6	-0.9	0.0	-1.1
Oregon	-52.6	-10.2	-59.2	68.0	-9.1	55.5
Washington	-24.4	-38.7	-22.0	7.9	-65.2	3.4
<b>ALL STATES</b>	<b>1.9 %</b>	<b>-3.6 %</b>	<b>1.0 %</b>	<b>4.6 %</b>	<b>-0.4 %</b>	<b>3.7 %</b>

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
<b>NEW ENGLAND</b>							
Connecticut	X	X			X	X	
Maine	P	P	X	P	P		X
Massachusetts	X	X					
New Hampshire	P	P	P	P	X		X
Rhode Island				P		P	X
Vermont	X	X	X	X	X	X	
<b>MID-ATLANTIC</b>							
Delaware			X		X	X	X
Maryland							
New Jersey					X	X	
New York	P	P			P	P	P
Pennsylvania	X	X		P	X	P	
<b>GREAT LAKES</b>							
Illinois							
Indiana	P	P	X		X		X
Michigan*	P	X	X	X	P		
Ohio							
Wisconsin					P		
<b>PLAINS</b>							
Iowa							
Kansas							
Minnesota	P	P	X	X	X	X	X
Missouri	X	X	X		X	X	X
Nebraska					X		
North Dakota						X	X
South Dakota							X
<b>SOUTHEAST</b>							
Alabama*							
Arkansas					P		
Florida			P		X		
Georgia				X	X		
Kentucky						P	
Louisiana					X		
Mississippi					P		X
North Carolina					X		
South Carolina							
Tennessee					X		
Virginia				X			
West Virginia				X	P	P	
<b>SOUTHWEST</b>							
Arizona							X
New Mexico							P
Oklahoma				P	P	P	P
Texas							
<b>ROCKY MOUNTAIN</b>							
Colorado*	P	P		X	X		X
Idaho				X	X		X
Montana				X	X		
Utah					X		X
Wyoming							
<b>FAR WEST</b>							
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				X	X		X
<b>ALL STATES</b>	<b>14</b>	<b>14</b>	<b>11</b>	<b>18</b>	<b>32</b>	<b>17</b>	<b>23</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Higher Education Notes

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

**Alabama:** Other state funds for Higher Education include tuition and fees as reported by institutions. Bonds issued and expended directly by institutions are not reported at the state budget level.

**Colorado:** HED colleges and universities pay pension and health benefits out of their allotments, which include but are not limited to, state appropriations/requests. 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.

**Michigan:** General Fund support in fiscal 2012 and fiscal 2013 reflects a shift to the state School Aid Fund for operating budgets. Federal fund support reflects receipt of TANF revenue for student financial aid: \$81.3 million (fiscal 2012), \$90.9 million (fiscal 2013), and \$93.8 million (fiscal 2014). Effective for fiscal 2013, state general fund support partially offsets employer-paid retirement obligations.

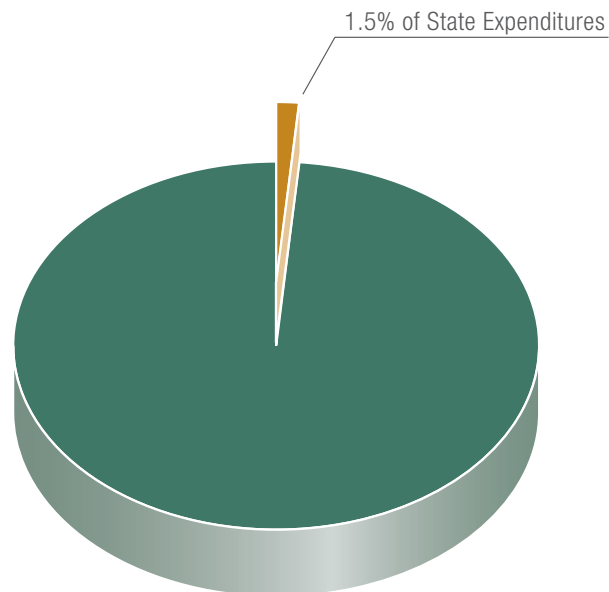
**Oregon:** Beginning in fiscal 2012, the Oregon University System operates as a “public corporation” and as such is no longer considered part of the state budget. The OUS continues to receive General Fund support from the state, as indicated in the survey results, but OF and FF expenditures now only reflect capital expenditures and debt.

# 3

## CHAPTER



# PUBLIC ASSISTANCE EXPENDITURES



## Public Assistance Expenditures

This chapter contains data on cash assistance provided through the Temporary Assistance for Needy Families (TANF) program and other public assistance programs. Spending for these categories totaled \$25.1 billion in fiscal 2013 and represented 1.5 percent of total state expenditures. Public assistance spending from all funds increased by 3.1 percent from fiscal 2012 to fiscal 2013, with spending from state funds increasing by 3.9 percent and spending from federal funds increasing by 2.5 percent.

Total spending on public assistance from all funds decreased by 1.4 percent from fiscal 2013 to fiscal 2014 to total \$24.7 billion. State funds decreased by 2.2 percent and federal funds decreased by 0.8 percent. The primary sources of public assistance funding for fiscal 2013 are federal funds, providing 57.1 percent, followed by general funds at 41.8 percent (see Figure 12).

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 was reauthorized through September 2010 under the *Deficit Reduction Act of 2005*. Since then, Congress has continued funding the program through short-term extensions, most recently through continuing resolutions. The TANF block grant is funded at \$16.6 billion each year. The program includes specific definitions of work, work verification requirements, and penalties if states do not meet the requirements. As a result of these changes, most states have to significantly increase work participation rates.

This report has information only on the changes in the cash assistance benefit levels within the programs, and does not reflect total TANF spending. Other areas of TANF spending include child care and employment programs. Cash assistance payments under TANF comprise approximately 28 percent of

total TANF spending. States have wide flexibility under TANF to determine their own eligibility criteria, benefit levels, and the type of services and benefits available to TANF recipients. States must maintain a historical level of state spending or maintenance of effort requirement and must meet minimum work participation rate requirements. In addition, 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.

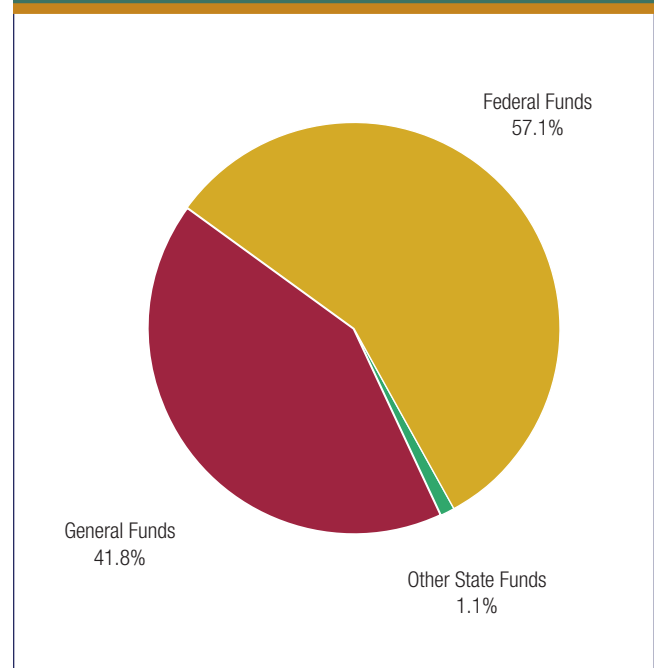
Since welfare reform was initially passed in 1996, states have focused on providing supportive services for families to achieve self-sufficiency. Since 1996, caseloads have declined significantly. The average monthly number of recipients fell from 12.8 million prior to the enactment of TANF to 3.5 million on average in 2014, a decrease of about three-quarters.

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

## Fund Shares

The figure below provides fund shares for fiscal 2013.

**FIGURE 12**  
**STATE EXPENDITURES FOR TOTAL PUBLIC ASSISTANCE**  
**BY FUND SOURCE, FISCAL 2013**





## Regional Expenditures

The following table shows regional percentage changes in expenditures for total cash assistance for fiscal 2012-2013 and 2013-2014 by region.

**TABLE 16**  
**REGIONAL PERCENTAGE CHANGE IN STATE TOTAL CASH ASSISTANCE EXPENDITURES,**  
**FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-1.4 %	10.4 %	1.2 %	0.6 %	-0.7 %	0.3 %
Mid-Atlantic	-0.2	5.5	3.7	-10.0	11.5	4.8
Great Lakes	11.8	-11.5	-2.9	-2.3	-7.2	-5.2
Plains	-6.3	0.2	-2.6	-0.9	2.3	1.0
Southeast	-2.4	-2.4	-2.4	3.9	-1.6	-0.5
Southwest	6.0	4.7	5.1	-7.4	-6.2	-6.6
Rocky Mountain	-4.1	-29.1	-21.1	0.0	35.6	21.7
Far West	8.6	6.0	7.3	-0.3	-13.1	-6.4
<b>ALL STATES</b>	<b>3.9 %</b>	<b>2.5 %</b>	<b>3.1 %</b>	<b>-2.2 %</b>	<b>-0.8 %</b>	<b>-1.4 %</b>

## Expenditures for Cash Assistance under Temporary Assistance for Needy Families (TANF) Program

State and federal funds for TANF cash assistance expenditures totaled \$15.4 billion in fiscal 2013, an increase of 3.3 percent from 2012 to 2013 (see Table 23). State funds increased by 10.2 percent and federal funds increased by 0.9 percent from fiscal 2012 to fiscal 2013. For fiscal 2014, total spending for TANF cash assistance expenditures decreased by 1.8 percent to \$15.2 billion, with federal funds declining by 1.4 percent and state spending declining by 2.8 percent. Cash assistance payments under TANF comprise approximately 28 percent of total TANF spending.

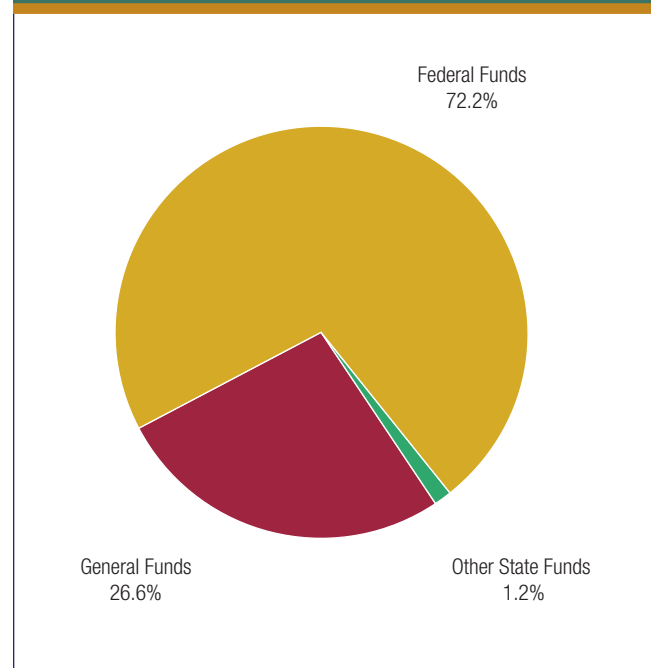
States have provided funding for programs to address child-care services, subsidized employment, training and education, transportation needs, transitional rental assistance, substance abuse, job readiness and job retention training, and domestic violence. As cash assistance has declined, these supportive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

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

## Fund Shares

The figure below provides fund shares for 2013.

**FIGURE 13**  
**STATE EXPENDITURES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BY FUND SOURCE, FISCAL 2013**



## Regional Expenditures

The following table shows percentage changes in expenditures for TANF cash assistance for fiscal 2012-2013 and 2013-2014 by region.

**TABLE 17**  
**REGIONAL PERCENTAGE CHANGE IN STATE TANF EXPENDITURES,**  
**FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-0.1 %	15.0 %	5.0 %	-1.4 %	0.8 %	-0.6 %
Mid-Atlantic	-11.8	0.9	-0.5	-5.8	19.7	17.2
Great Lakes	22.3	-13.6	-2.6	-0.5	-10.0	-6.4
Plains	-11.9	0.0	-3.5	-3.9	2.3	0.6
Southeast	-2.8	-2.7	-2.8	2.2	-2.7	-1.9
Southwest	7.6	9.3	8.9	-6.0	-5.2	-5.4
Rocky Mountain	-5.7	-29.1	-23.2	0.0	35.6	24.5
Far West	26.7	5.7	11.6	-4.3	-17.6	-13.3
<b>ALL STATES</b>	<b>10.2 %</b>	<b>0.9 %</b>	<b>3.3 %</b>	<b>-2.8 %</b>	<b>-1.4 %</b>	<b>-1.8 %</b>

## 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-four states spend some amount on other cash assistance.

Other cash assistance programs accounted for 0.6 percent of total state spending in fiscal 2013. States spent \$9.7 billion for other cash assistance, with 67.1 percent of that amount funded from state funds in fiscal 2013. 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 2012				Actual Fiscal 2013				Estimated Fiscal 2014			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$380	\$0	\$0	\$380	\$378	\$0	\$0	\$378	\$384	\$0	\$0	\$384
Maine	46	71	90	207	42	47	91	180	47	35	90	172
Massachusetts	1,214	274	0	1,488	1,180	368	0	1,548	1,191	379	0	1,570
New Hampshire	56	40	0	96	59	27	0	86	50	29	0	79
Rhode Island	30	79	0	109	29	78	0	107	30	76	0	106
Vermont	35	67	4	106	40	66	10	116	45	63	3	111
<b>MID-ATLANTIC</b>												
Delaware	24	0	1	25	16	7	1	24	20	2	1	23
Maryland	70	1,207	24	1,301	85	1,270	19	1,374	71	1,266	19	1,356
New Jersey	286	159	0	445	295	163	0	458	262	167	0	429
New York	1,267	2,520	0	3,787	1,417	2,583	0	4,000	1,246	3,168	0	4,414
Pennsylvania	527	759	1	1,287	360	878	3	1,241	355	861	2	1,218
<b>GREAT LAKES</b>												
Illinois	93	1	0	94	191	0	0	191	181	0	0	181
Indiana	66	320	0	386	65	320	0	385	66	337	0	403
Michigan*	181	176	65	422	187	101	58	346	153	66	59	278
Ohio	243	680	0	923	232	620	0	852	213	588	0	801
Wisconsin	65	73	15	153	72	65	9	146	104	35	19	158
<b>PLAINS</b>												
Iowa	67	36	12	115	63	32	11	106	65	45	11	121
Kansas	20	22	0	42	8	21	0	29	3	21	0	24
Minnesota	172	263	0	435	164	284	0	448	166	263	0	429
Missouri	33	110	32	175	33	99	32	164	35	115	32	182
Nebraska	17	35	0	52	20	32	0	52	17	33	0	50
North Dakota	4	0	2	6	2	0	3	5	0	1	4	5
South Dakota	9	19	0	28	9	18	0	27	9	19	0	28
<b>SOUTHEAST</b>												
Alabama	1	48	1	50	0	46	0	46	0	41	0	41
Arkansas	154	264	17	435	156	263	18	437	144	295	45	484
Florida	154	44	0	198	149	61	0	210	159	50	0	209
Georgia*	0	49	0	49	0	48	0	48	0	48	0	48
Kentucky	72	154	0	226	76	149	0	225	73	142	0	215
Louisiana	0	168	0	168	3	141	0	144	0	140	0	140
Mississippi	34	1,026	4	1,064	34	1,059	4	1,097	34	1,026	2	1,062
North Carolina	61	185	1	247	61	171	1	233	61	171	1	233
South Carolina	32	65	0	97	28	63	0	91	28	62	0	90
Tennessee	14	108	0	122	13	97	0	110	20	97	4	121
Virginia	48	132	0	180	44	123	0	167	40	109	0	149
West Virginia	39	122	0	161	30	87	0	117	30	89	0	119
<b>SOUTHWEST</b>												
Arizona	65	216	0	281	79	249	0	328	68	218	0	286
New Mexico	7	133	0	140	6	145	0	151	0	167	0	167
Oklahoma	78	128	0	206	78	118	0	196	78	104	0	182
Texas	66	30	0	96	66	19	0	85	66	9	0	75
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	9	7	0	16	9	7	0	16	9	7	0	16
Montana	12	20	0	32	12	19	0	31	11	18	0	29
Utah	11	76	17	104	23	47	3	73	20	74	7	101
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	94	12	22	128	99	9	22	130	103	19	24	146
California	3,887	3,729	0	7,616	4,309	3,989	0	8,298	4,284	3,444	0	7,728
Hawaii*	58	40	0	98	47	41	0	88	47	41	0	88
Nevada	26	21	0	47	25	24	0	49	25	20	0	45
Oregon	63	115	0	178	74	108	0	182	88	86	1	175
Washington	179	174	0	353	125	166	0	291	115	161	0	276
<b>TOTAL</b>	<b>\$10,069</b>	<b>\$13,977</b>	<b>\$308</b>	<b>\$24,354</b>	<b>\$10,493</b>	<b>\$14,328</b>	<b>\$285</b>	<b>\$25,106</b>	<b>\$10,216</b>	<b>\$14,207</b>	<b>\$324</b>	<b>\$24,747</b>

Note: This table reflects TANF and other cash assistance expenditures. \*See notes at the end of the chapter.

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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	1.4 %	1.4 %	1.3 %
Maine	2.6	2.3	2.1
Massachusetts	2.6	2.7	2.7
New Hampshire	1.9	1.7	1.5
Rhode Island	1.4	1.4	1.3
Vermont	2.1	2.3	2.1
<b>MID-ATLANTIC</b>			
Delaware	0.3	0.3	0.2
Maryland	3.7	3.8	3.5
New Jersey	0.9	0.9	0.8
New York	2.8	3.0	3.2
Pennsylvania	1.5	1.5	1.4
<b>GREAT LAKES</b>			
Illinois	0.2	0.3	0.2
Indiana	1.5	1.4	1.5
Michigan	0.9	0.7	0.5
Ohio	1.6	1.5	1.3
Wisconsin	0.4	0.3	0.4
<b>PLAINS</b>			
Iowa	0.6	0.5	0.6
Kansas	0.3	0.2	0.2
Minnesota	1.4	1.4	1.2
Missouri	0.7	0.7	0.8
Nebraska	0.5	0.5	0.5
North Dakota	0.1	0.1	0.1
South Dakota	0.8	0.7	0.7
<b>SOUTHEAST</b>			
Alabama	0.2	0.2	0.2
Arkansas	2.1	2.0	2.1
Florida	0.3	0.3	0.3
Georgia	0.1	0.1	0.1
Kentucky	0.9	0.9	0.7
Louisiana	0.6	0.5	0.5
Mississippi	5.9	5.9	5.6
North Carolina	0.5	0.5	0.5
South Carolina	0.4	0.4	0.4
Tennessee	0.4	0.4	0.4
Virginia	0.4	0.4	0.3
West Virginia	0.7	0.5	0.5
<b>SOUTHWEST</b>			
Arizona	1.0	1.2	1.0
New Mexico	1.0	1.0	1.0
Oklahoma	1.0	0.9	0.8
Texas	0.1	0.1	0.1
<b>ROCKY MOUNTAIN</b>			
Colorado	0.0	0.0	0.0
Idaho	0.3	0.2	0.2
Montana	0.5	0.5	0.5
Utah	0.9	0.6	0.8
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	1.1	1.1	1.3
California	3.8	3.9	3.4
Hawaii	0.9	0.8	0.7
Nevada	0.6	0.6	0.5
Oregon	0.7	0.7	0.6
Washington	1.1	0.9	0.8
<b>ALL STATES</b>	<b>1.5 %</b>	<b>1.5 %</b>	<b>1.4 %</b>

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

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.5 %	— %	-0.5 %	1.6 %	— %	1.6 %
Maine	-2.2	-33.8	-13.0	3.0	-25.5	-4.4
Massachusetts	-2.8	34.3	4.0	0.9	3.0	1.4
New Hampshire	5.4	-32.5	-10.4	-15.3	7.4	-8.1
Rhode Island	-3.3	-1.3	-1.8	3.4	-2.6	-0.9
Vermont	28.2	-1.5	9.4	-4.0	-4.5	-4.3
<b>MID-ATLANTIC</b>						
Delaware	-32.0	—	-4.0	23.5	-71.4	-4.2
Maryland	10.6	5.2	5.6	-13.5	-0.3	-1.3
New Jersey	3.1	2.5	2.9	-11.2	2.5	-6.3
New York	11.8	2.5	5.6	-12.1	22.6	10.4
Pennsylvania	-31.3	15.7	-3.6	-1.7	-1.9	-1.9
<b>GREAT LAKES</b>						
Illinois	105.4	-100.0	103.2	-5.2	—	-5.2
Indiana	-1.5	0.0	-0.3	1.5	5.3	4.7
Michigan	-0.4	-42.6	-18.0	-13.5	-34.7	-19.7
Ohio	-4.5	-8.8	-7.7	-8.2	-5.2	-6.0
Wisconsin	1.3	-11.0	-4.6	51.9	-46.2	8.2
<b>PLAINS</b>						
Iowa	-6.3	-11.1	-7.8	2.7	40.6	14.2
Kansas	-60.0	-4.5	-31.0	-62.5	0.0	-17.2
Minnesota	-4.7	8.0	3.0	1.2	-7.4	-4.2
Missouri	0.0	-10.0	-6.3	3.1	16.2	11.0
Nebraska	17.6	-8.6	0.0	-15.0	3.1	-3.8
North Dakota	-16.7	—	-16.7	-20.0	—	0.0
South Dakota	0.0	-5.3	-3.6	0.0	5.6	3.7
<b>SOUTHEAST</b>						
Alabama	-100.0	-4.2	-8.0	—	-10.9	-10.9
Arkansas	1.8	-0.4	0.5	8.6	12.2	10.8
Florida	-3.2	38.6	6.1	6.7	-18.0	-0.5
Georgia	—	-2.0	-2.0	—	0.0	0.0
Kentucky	5.6	-3.2	-0.4	-3.9	-4.7	-4.4
Louisiana	—	-16.1	-14.3	-100.0	-0.7	-2.8
Mississippi	0.0	3.2	3.1	-5.3	-3.1	-3.2
North Carolina	0.0	-7.6	-5.7	0.0	0.0	0.0
South Carolina	-12.5	-3.1	-6.2	0.0	-1.6	-1.1
Tennessee	-7.1	-10.2	-9.8	84.6	0.0	10.0
Virginia	-8.3	-6.8	-7.2	-9.1	-11.4	-10.8
West Virginia	-23.1	-28.7	-27.3	0.0	2.3	1.7
<b>SOUTHWEST</b>						
Arizona	21.5	15.3	16.7	-13.9	-12.4	-12.8
New Mexico	-14.3	9.0	7.9	-100.0	15.2	10.6
Oklahoma	0.0	-7.8	-4.9	0.0	-11.9	-7.1
Texas	0.0	-36.7	-11.5	0.0	-52.6	-11.8
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	0.0	0.0	0.0	0.0	0.0	0.0
Montana	0.0	-5.0	-3.1	-8.3	-5.3	-6.5
Utah	-7.1	-38.2	-29.8	3.8	57.4	38.4
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	4.3	-25.0	1.6	5.0	111.1	12.3
California	10.9	7.0	9.0	-0.6	-13.7	-6.9
Hawaii	-19.0	2.5	-10.2	0.0	0.0	0.0
Nevada	-3.8	14.3	4.3	0.0	-16.7	-8.2
Oregon	17.5	-6.1	2.2	20.3	-20.4	-3.8
Washington	-30.2	-4.6	-17.6	-8.0	—	-5.2
<b>ALL STATES</b>	<b>3.9 %</b>	<b>2.5 %</b>	<b>3.1 %</b>	<b>-2.2 %</b>	<b>-0.8 %</b>	<b>-1.4 %</b>

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

TABLE 21

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

Region/State	Actual Fiscal 2012				Actual Fiscal 2013				Estimated Fiscal 2014			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$268	\$0	\$0	\$268	\$267	\$0	\$0	\$267	\$267	\$0	\$0	\$267
Maine	22	51	89	162	22	37	90	149	23	29	89	141
Massachusetts	392	274	0	666	381	368	0	749	380	378	0	758
New Hampshire	35	40	0	75	43	27	0	70	34	29	0	63
Rhode Island	0	40	0	40	0	39	0	39	0	36	0	36
Vermont	19	22	4	45	23	20	2	45	20	23	3	46
<b>MID-ATLANTIC</b>												
Delaware	20	0	1	21	11	7	1	19	15	2	1	18
Maryland	25	120	14	159	38	100	10	148	24	117	10	151
New Jersey	42	70	0	112	77	45	0	122	64	61	0	125
New York	64	2,520	0	2,584	0	2,583	0	2,583	0	3,168	0	3,168
Pennsylvania	224	350	1	575	205	354	3	562	209	351	2	562
<b>GREAT LAKES</b>												
Illinois	93	1	0	94	191	0	0	191	181	0	0	181
Indiana	29	168	0	197	28	168	0	196	29	173	0	202
Michigan	83	161	56	300	96	85	49	230	63	50	48	161
Ohio	151	680	0	831	151	620	0	771	152	588	0	740
Wisconsin	48	40	6	94	55	34	0	89	84	5	10	99
<b>PLAINS</b>												
Iowa	50	36	12	98	48	32	11	91	48	45	11	104
Kansas	20	22	0	42	8	21	0	29	3	21	0	24
Minnesota	86	263	0	349	76	284	0	360	76	263	0	339
Missouri	8	110	0	118	8	99	0	107	10	115	0	125
Nebraska	11	33	0	44	13	29	0	42	10	30	0	40
North Dakota	4	0	2	6	2	0	3	5	0	1	4	5
South Dakota	9	19	0	28	9	18	0	27	9	19	0	28
<b>SOUTHEAST</b>												
Alabama	1	48	1	50	0	46	0	46	0	41	0	41
Arkansas	14	60	1	75	16	60	1	77	18	65	1	84
Florida	135	32	0	167	131	44	0	175	141	35	0	176
Georgia*	0	49	0	49	0	48	0	48	0	48	0	48
Kentucky	72	154	0	226	76	149	0	225	73	142	0	215
Louisiana	0	168	0	168	3	141	0	144	0	140	0	140
Mississippi	34	1,026	4	1,064	34	1,059	4	1,097	34	1,026	2	1,062
North Carolina	61	185	1	247	61	171	1	233	61	171	1	233
South Carolina	4	31	0	35	5	27	0	32	2	28	0	30
Tennessee	14	108	0	122	13	97	0	110	20	97	4	121
Virginia	48	56	0	104	43	54	0	97	39	47	0	86
West Virginia	33	122	0	155	23	87	0	110	24	89	0	113
<b>SOUTHWEST</b>												
Arizona	65	216	0	281	79	249	0	328	68	218	0	286
New Mexico	1	133	0	134	0	145	0	145	0	167	0	167
Oklahoma	39	60	0	99	39	67	0	106	39	61	0	100
Texas	66	30	0	96	66	19	0	85	66	9	0	75
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	7	0	7	0	7	0	7	0	7	0	7
Montana	12	20	0	32	12	19	0	31	11	18	0	29
Utah	6	76	17	99	18	47	3	68	15	74	7	96
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	16	11	2	29	18	8	2	28	15	17	2	34
California	1,157	3,094	0	4,251	1,545	3,301	0	4,846	1,478	2,684	0	4,162
Hawaii	29	40	0	69	23	41	0	64	23	41	0	64
Nevada	26	21	0	47	25	24	0	49	25	20	0	45
Oregon	63	108	0	171	74	102	0	176	88	80	1	169
Washington	75	173	0	248	46	166	0	212	27	160	0	187
<b>TOTAL</b>	<b>\$3,674</b>	<b>\$11,048</b>	<b>\$211</b>	<b>\$14,933</b>	<b>\$4,102</b>	<b>\$11,148</b>	<b>\$180</b>	<b>\$15,430</b>	<b>\$3,968</b>	<b>\$10,989</b>	<b>\$196</b>	<b>\$15,153</b>

\*See notes at the end of the chapter.

**TABLE 22**  
**TANF EXPENDITURES FOR CASH ASSISTANCE AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	1.0 %	1.0 %	0.9 %
Maine	2.0	1.9	1.7
Massachusetts	1.2	1.3	1.3
New Hampshire	1.5	1.4	1.2
Rhode Island	0.5	0.5	0.5
Vermont	0.9	0.9	0.9
<b>MID-ATLANTIC</b>			
Delaware	0.2	0.2	0.2
Maryland	0.5	0.4	0.4
New Jersey	0.2	0.2	0.2
New York	1.9	1.9	2.3
Pennsylvania	0.7	0.7	0.6
<b>GREAT LAKES</b>			
Illinois	0.2	0.3	0.2
Indiana	0.8	0.7	0.7
Michigan	0.6	0.5	0.3
Ohio	1.4	1.3	1.2
Wisconsin	0.2	0.2	0.2
<b>PLAINS</b>			
Iowa	0.5	0.5	0.5
Kansas	0.3	0.2	0.2
Minnesota	1.2	1.1	0.9
Missouri	0.5	0.5	0.5
Nebraska	0.4	0.4	0.4
North Dakota	0.1	0.1	0.1
South Dakota	0.8	0.7	0.7
<b>SOUTHEAST</b>			
Alabama	0.2	0.2	0.2
Arkansas	0.4	0.4	0.4
Florida	0.3	0.3	0.2
Georgia	0.1	0.1	0.1
Kentucky	0.9	0.9	0.7
Louisiana	0.6	0.5	0.5
Mississippi	5.9	5.9	5.6
North Carolina	0.5	0.5	0.5
South Carolina	0.2	0.1	0.1
Tennessee	0.4	0.4	0.4
Virginia	0.2	0.2	0.2
West Virginia	0.7	0.5	0.5
<b>SOUTHWEST</b>			
Arizona	1.0	1.2	1.0
New Mexico	0.9	1.0	1.0
Oklahoma	0.5	0.5	0.4
Texas	0.1	0.1	0.1
<b>ROCKY MOUNTAIN</b>			
Colorado	0.0	0.0	0.0
Idaho	0.1	0.1	0.1
Montana	0.5	0.5	0.5
Utah	0.8	0.5	0.7
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	0.2	0.2	0.3
California	2.1	2.3	1.8
Hawaii	0.6	0.6	0.5
Nevada	0.6	0.6	0.5
Oregon	0.6	0.7	0.6
Washington	0.7	0.6	0.5
<b>ALL STATES</b>	<b>0.9 %</b>	<b>0.9 %</b>	<b>0.8 %</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.4 %	— %	-0.4 %	0.0 %	— %	0.0 %
Maine	0.9	-27.5	-8.0	0.0	-21.6	-5.4
Massachusetts	-2.8	34.3	12.5	-0.3	2.7	1.2
New Hampshire	22.9	-32.5	-6.7	-20.9	7.4	-10.0
Rhode Island	—	-2.5	-2.5	—	-7.7	-7.7
Vermont	8.7	-9.1	0.0	-8.0	15.0	2.2
<b>MID-ATLANTIC</b>						
Delaware	-42.9	—	-9.5	33.3	-71.4	-5.3
Maryland	23.1	-16.7	-6.9	-29.2	17.0	2.0
New Jersey	83.3	-35.7	8.9	-16.9	35.6	2.5
New York	-100.0	2.5	0.0	—	22.6	22.6
Pennsylvania	-7.6	1.1	-2.3	1.4	-0.8	0.0
<b>GREAT LAKES</b>						
Illinois	105.4	-100.0	103.2	-5.2	—	-5.2
Indiana	-3.4	0.0	-0.5	3.6	3.0	3.1
Michigan	4.3	-47.2	-23.3	-23.4	-41.2	-30.0
Ohio	0.0	-8.8	-7.2	0.7	-5.2	-4.0
Wisconsin	1.9	-15.0	-5.3	70.9	-85.3	11.2
<b>PLAINS</b>						
Iowa	-4.8	-11.1	-7.1	0.0	40.6	14.3
Kansas	-60.0	-4.5	-31.0	-62.5	0.0	-17.2
Minnesota	-11.6	8.0	3.2	0.0	-7.4	-5.8
Missouri	0.0	-10.0	-9.3	25.0	16.2	16.8
Nebraska	18.2	-12.1	-4.5	-23.1	3.4	-4.8
North Dakota	-16.7	—	-16.7	-20.0	—	0.0
South Dakota	0.0	-5.3	-3.6	0.0	5.6	3.7
<b>SOUTHEAST</b>						
Alabama	-100.0	-4.2	-8.0	—	-10.9	-10.9
Arkansas	13.3	0.0	2.7	11.8	8.3	9.1
Florida	-3.0	37.5	4.8	7.6	-20.5	0.6
Georgia	—	-2.0	-2.0	—	0.0	0.0
Kentucky	5.6	-3.2	-0.4	-3.9	-4.7	-4.4
Louisiana	—	-16.1	-14.3	-100.0	-0.7	-2.8
Mississippi	0.0	3.2	3.1	-5.3	-3.1	-3.2
North Carolina	0.0	-7.6	-5.7	0.0	0.0	0.0
South Carolina	25.0	-12.9	-8.6	-60.0	3.7	-6.3
Tennessee	-7.1	-10.2	-9.8	84.6	0.0	10.0
Virginia	-10.4	-3.6	-6.7	-9.3	-13.0	-11.3
West Virginia	-30.3	-28.7	-29.0	4.3	2.3	2.7
<b>SOUTHWEST</b>						
Arizona	21.5	15.3	16.7	-13.9	-12.4	-12.8
New Mexico	-100.0	9.0	8.2	—	15.2	15.2
Oklahoma	0.0	11.7	7.1	0.0	-9.0	-5.7
Texas	0.0	-36.7	-11.5	0.0	-52.6	-11.8
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	—	0.0	0.0	—	0.0	0.0
Montana	0.0	-5.0	-3.1	-8.3	-5.3	-6.5
Utah	-8.7	-38.2	-31.3	4.8	57.4	41.2
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	11.1	-27.3	-3.4	-15.0	112.5	21.4
California	33.5	6.7	14.0	-4.3	-18.7	-14.1
Hawaii	-20.7	2.5	-7.2	0.0	0.0	0.0
Nevada	-3.8	14.3	4.3	0.0	-16.7	-8.2
Oregon	17.5	-5.6	2.9	20.3	-21.6	-4.0
Washington	-38.7	-4.0	-14.5	-41.3	-3.6	-11.8
<b>ALL STATES</b>	<b>10.2 %</b>	<b>0.9 %</b>	<b>3.3 %</b>	<b>-2.8 %</b>	<b>-1.4 %</b>	<b>-1.8 %</b>

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 2012				Actual Fiscal 2013				Estimated Fiscal 2014			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$112	\$0	\$0	\$112	\$111	\$0	\$0	\$111	\$117	\$0	\$0	\$117
Maine	24	20	1	45	21	10	1	32	24	6	1	31
Massachusetts	822	0	0	822	799	0	0	799	811	1	0	812
New Hampshire	21	0	0	21	16	0	0	16	16	0	0	16
Rhode Island	30	39	0	69	29	39	0	68	30	40	0	70
Vermont	16	45	0	61	17	46	8	71	25	40	0	65
<b>MID-ATLANTIC</b>												
Delaware	4	0	0	4	5	0	0	5	5	0	0	5
Maryland	45	1,087	10	1,142	47	1,170	9	1,226	47	1,149	9	1,205
New Jersey	244	89	0	333	218	118	0	336	198	106	0	304
New York	1,203	0	0	1,203	1,417	0	0	1,417	1,246	0	0	1,246
Pennsylvania	303	409	0	712	155	524	0	679	146	510	0	656
<b>GREAT LAKES</b>												
Illinois	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	37	152	0	189	37	152	0	189	37	164	0	201
Michigan*	98	15	9	122	91	16	9	116	90	16	11	117
Ohio	92	0	0	92	81	0	0	81	62	0	0	62
Wisconsin	17	33	9	59	17	31	9	57	20	30	9	59
<b>PLAINS</b>												
Iowa	17	0	0	17	15	0	0	15	17	0	0	17
Kansas	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	86	0	0	86	88	0	0	88	90	0	0	90
Missouri	25	0	32	57	25	0	32	57	25	0	32	57
Nebraska	7	2	0	9	7	2	0	9	7	3	0	10
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>												
Alabama	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	140	204	16	360	140	203	17	360	126	230	44	400
Florida	19	12	0	31	18	17	0	35	18	15	0	33
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	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	28	34	0	62	23	36	0	59	26	34	0	60
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	1	76	0	77	1	69	0	70	1	62	0	63
West Virginia	6	0	0	6	7	0	0	7	6	0	0	6
<b>SOUTHWEST</b>												
Arizona	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	6	0	0	6	6	0	0	6	0	0	0	0
Oklahoma	39	68	0	107	39	51	0	90	39	43	0	82
Texas	0	0	0	0	0	0	0	0	0	0	0	0
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	9	0	0	9	9	0	0	9	9	0	0	9
Montana	0	0	0	0	0	0	0	0	0	0	0	0
Utah	5	0	0	5	5	0	0	5	5	0	0	5
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	78	1	20	99	81	1	20	102	88	2	22	112
California	2,730	636	0	3,366	2,764	688	0	3,452	2,806	760	0	3,566
Hawaii	29	0	0	29	24	0	0	24	24	0	0	24
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	7	0	7	0	6	0	6	0	6	0	6
Washington	104	1	0	105	79	0	0	79	88	1	0	89
<b>TOTAL</b>	<b>\$6,397</b>	<b>\$2,930</b>	<b>\$97</b>	<b>\$9,424</b>	<b>\$6,392</b>	<b>\$3,179</b>	<b>\$105</b>	<b>\$9,676</b>	<b>\$6,249</b>	<b>\$3,218</b>	<b>\$128</b>	<b>\$9,595</b>

\*See notes at the end of the chapter.

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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	0.4 %	0.4 %	0.4 %
Maine	0.6	0.4	0.4
Massachusetts	1.4	1.4	1.4
New Hampshire	0.4	0.3	0.3
Rhode Island	0.9	0.9	0.9
Vermont	1.2	1.4	1.2
<b>MID-ATLANTIC</b>			
Delaware	0.0	0.1	0.1
Maryland	3.3	3.4	3.1
New Jersey	0.7	0.7	0.6
New York	0.9	1.1	0.9
Pennsylvania	0.8	0.8	0.8
<b>GREAT LAKES</b>			
Illinois	0.0	0.0	0.0
Indiana	0.7	0.7	0.7
Michigan	0.3	0.2	0.2
Ohio	0.2	0.1	0.1
Wisconsin	0.1	0.1	0.1
<b>PLAINS</b>			
Iowa	0.1	0.1	0.1
Kansas	0.0	0.0	0.0
Minnesota	0.3	0.3	0.2
Missouri	0.2	0.2	0.2
Nebraska	0.1	0.1	0.1
North Dakota	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0
<b>SOUTHEAST</b>			
Alabama	0.0	0.0	0.0
Arkansas	1.7	1.7	1.8
Florida	0.0	0.1	0.0
Georgia	0.0	0.0	0.0
Kentucky	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0
North Carolina	0.0	0.0	0.0
South Carolina	0.3	0.3	0.3
Tennessee	0.0	0.0	0.0
Virginia	0.2	0.2	0.1
West Virginia	0.0	0.0	0.0
<b>SOUTHWEST</b>			
Arizona	0.0	0.0	0.0
New Mexico	0.0	0.0	0.0
Oklahoma	0.5	0.4	0.4
Texas	0.0	0.0	0.0
<b>ROCKY MOUNTAIN</b>			
Colorado	0.0	0.0	0.0
Idaho	0.1	0.1	0.1
Montana	0.0	0.0	0.0
Utah	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	0.8	0.9	1.0
California	1.7	1.6	1.6
Hawaii	0.3	0.2	0.2
Nevada	0.0	0.0	0.0
Oregon	0.0	0.0	0.0
Washington	0.3	0.2	0.2
<b>ALL STATES</b>	<b>0.6 %</b>	<b>0.6 %</b>	<b>0.5 %</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.9 %	— %	-0.9 %	5.4 %	— %	5.4 %
Maine	-12.0	-50.0	-28.9	13.6	-40.0	-3.1
Massachusetts	-2.8	—	-2.8	1.5	—	1.6
New Hampshire	-23.8	—	-23.8	0.0	—	0.0
Rhode Island	-3.3	0.0	-1.4	3.4	2.6	2.9
Vermont	56.3	2.2	16.4	0.0	-13.0	-8.5
<b>MID-ATLANTIC</b>						
Delaware	25.0	—	25.0	0.0	—	0.0
Maryland	1.8	7.6	7.4	0.0	-1.8	-1.7
New Jersey	-10.7	32.6	0.9	-9.2	-10.2	-9.5
New York	17.8	—	17.8	-12.1	—	-12.1
Pennsylvania	-48.8	28.1	-4.6	-5.8	-2.7	-3.4
<b>GREAT LAKES</b>						
Illinois	—	—	—	—	—	—
Indiana	0.0	0.0	0.0	0.0	7.9	6.3
Michigan	-6.5	6.7	-4.9	1.0	0.0	0.9
Ohio	-12.0	—	-12.0	-23.5	—	-23.5
Wisconsin	0.0	-6.1	-3.4	11.5	-3.2	3.5
<b>PLAINS</b>						
Iowa	-11.8	—	-11.8	13.3	—	13.3
Kansas	—	—	—	—	—	—
Minnesota	2.3	—	2.3	2.3	—	2.3
Missouri	0.0	—	0.0	0.0	—	0.0
Nebraska	0.0	0.0	0.0	0.0	50.0	11.1
North Dakota	—	—	—	—	—	—
South Dakota	—	—	—	—	—	—
<b>SOUTHEAST</b>						
Alabama	—	—	—	—	—	—
Arkansas	0.6	-0.5	0.0	8.3	13.3	11.1
Florida	-5.3	41.7	12.9	0.0	-11.8	-5.7
Georgia	—	—	—	—	—	—
Kentucky	—	—	—	—	—	—
Louisiana	—	—	—	—	—	—
Mississippi	—	—	—	—	—	—
North Carolina	—	—	—	—	—	—
South Carolina	-17.9	5.9	-4.8	13.0	-5.6	1.7
Tennessee	—	—	—	—	—	—
Virginia	0.0	-9.2	-9.1	0.0	-10.1	-10.0
West Virginia	16.7	—	16.7	-14.3	—	-14.3
<b>SOUTHWEST</b>						
Arizona	—	—	—	—	—	—
New Mexico	0.0	—	0.0	-100.0	—	-100.0
Oklahoma	0.0	-25.0	-15.9	0.0	-15.7	-8.9
Texas	—	—	—	—	—	—
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	0.0	—	0.0	0.0	—	0.0
Montana	—	—	—	—	—	—
Utah	0.0	—	0.0	0.0	—	0.0
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	3.1	0.0	3.0	8.9	100.0	9.8
California	1.2	8.2	2.6	1.5	10.5	3.3
Hawaii	-17.2	—	-17.2	0.0	—	0.0
Nevada	—	—	—	—	—	—
Oregon	—	-14.3	-14.3	—	0.0	0.0
Washington	-24.0	-100.0	-24.8	11.4	—	12.7
<b>ALL STATES</b>	<b>0.0 %</b>	<b>8.5 %</b>	<b>2.7 %</b>	<b>-1.8 %</b>	<b>1.2 %</b>	<b>-0.8 %</b>

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

## Public Assistance Notes

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

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

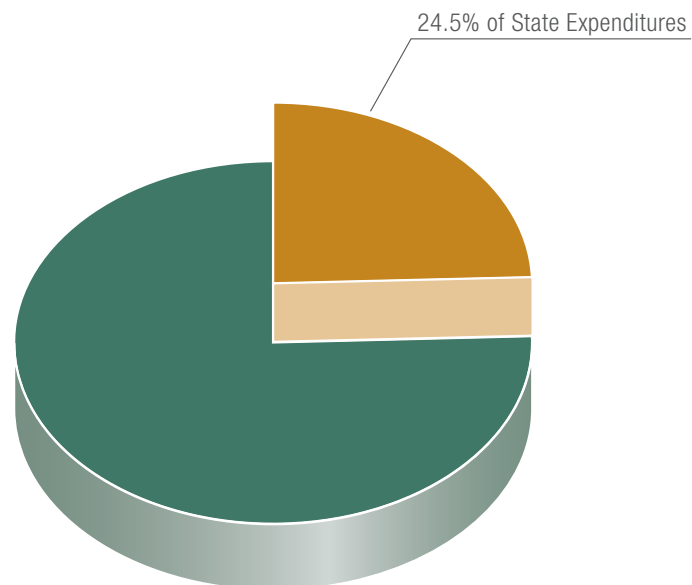
**Michigan:** Figures for fiscal 2012 and 2013 include expenditures for cash assistance litigation payments made to families who remained temporarily eligible for assistance while Michigan's time limit policy was under legal review. Effective for fiscal 2014, litigation payments were no longer issued as Michigan's time limit policy went into effect prior to the beginning of the fiscal year. Litigation expenditures total \$30.0 million in fiscal 2012; and \$14.4 million in fiscal 2013. "Other Cash Assistance" figures do not include expenditures for child development and care programs, a large part of Michigan's public assistance program. Child development and care expenditures total \$156.4 million in fiscal 2012; \$134.4 million in fiscal 2013; and an estimated \$141.6 million in fiscal 2014.

# 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 68 million low-income individuals. Total Medicaid spending in fiscal 2013 was \$413.7 billion, excluding administrative costs, which represents a 5.8 percent increase over fiscal 2012. State funds increased by 8.1 percent and federal funds increased by 4.1 percent over fiscal 2012 amounts. In fiscal 2013, federal funds comprised 56.6 percent of total Medicaid spending, general funds 31.6 percent, and other state funds 11.8 percent.

Total Medicaid spending for fiscal 2014 is estimated at \$460.5 billion, an increase of 11.3 percent over fiscal 2013. State funds increased by an estimated 2.7 percent while federal funds increased by 17.8 percent over fiscal 2013 amounts. The rate of growth in federal funds exceeds state funds since costs for those newly eligible for coverage in states implementing the Medicaid expansion under the *Affordable Care Act* are fully federally funded in calendar years 2014, 2015, and 2016. Federal funding will phase down to 90 percent by 2020 and beyond. Increased participation among those currently eligible is funded at the states regular Medicaid matching rate.

Also included in Medicaid spending are Medicare Part D “clawback” payments, statutorily known as the phased down state contribution. Beginning in January 2006, prescription drug costs for individuals eligible for both Medicare and Medicaid were no longer part of the Medicaid program. Instead these costs are now included in Medicare Part D. States finance these benefits by providing a payment to the federal Medicare trust fund—commonly known as “clawback” payments. As shown in Appendix Table A-3, these “clawback” payments totaled \$7.8 billion in fiscal 2012, \$8.4 billion in fiscal 2013, and are estimated at \$8.4 billion for fiscal 2014.

Medicaid spending accounted for 24.5 percent of total state spending in fiscal 2013, the single largest component of *total* state expenditures, and 18.9 percent of general fund expenditures. In fiscal 2014, it is estimated to be 25.8 percent of total state spending, with the growth largely resulting from an increase in federal Medicaid funds, and 19.1 percent of general fund expenditures.

**Medicaid Enrollment.** Enrollment growth averaged 1.5 percent in fiscal 2013, according to the Kaiser Commission on Medicaid and the Uninsured. For fiscal 2014, enrollment

growth is projected to average 8.3 percent across all states and is projected to rise by 13.2 percent in fiscal 2015. These increases in enrollment take into account those states that have expanded Medicaid under the *Affordable Care Act* as well as enrollment increases among those currently eligible in states that have not expanded Medicaid. The implementation of the *Affordable Care Act* has greatly increased the number of individuals served in the Medicaid program in 2014 and thereafter. According to the Centers for Medicare and Medicaid Services’ Office of the Actuary, the *Affordable Care Act*’s Medicaid eligibility expansion option will add approximately 18.3 million individuals by 2021.

**Medicaid Program Changes.** In contrast to previous years, and especially with the end of the federally enhanced matching funds through the *American Recovery and Reinvestment Act* (ARRA), state actions are broader and are aimed at controlling costs, selectively increasing payments and benefits, and changing delivery methods to improve care. The proportion of Medicaid benefits through a managed care plan is expected to increase with both the coverage of newly eligible enrollees and the expanded use of managed care to cover aged and disabled enrollees and long-term care services. States also continue moving in the direction of home- and community-based care and away from institutional settings. Additionally, states expressed concern about high-cost specialty drugs, such as Sovaldi, used to treat hepatitis C and almost all states are concerned about the potential future fiscal impact of new and emerging specialty drug therapies, according to the Kaiser Commission on Medicaid and the Uninsured Annual Budget survey.

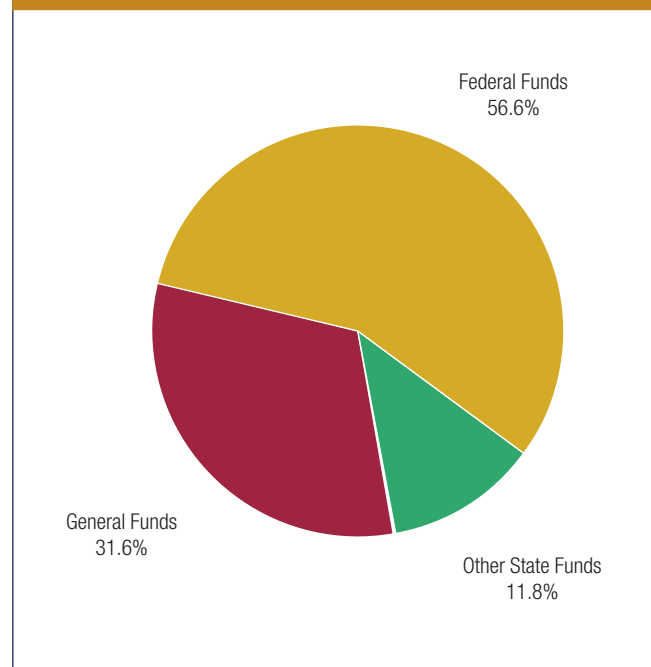
***Affordable Care Act.*** The Supreme Court’s ruling in June 2012 upheld the constitutionality of the *Affordable Care Act* and affected states by making the expansion of Medicaid effectively a state option. The Supreme Court ruled that the Medicaid expansion is constitutional though the federal government could not withhold existing Medicaid funding for states that opted not to participate in the expansion. Beginning January 1, 2014, state Medicaid programs had the option to expand to cover non-pregnant, non-elderly individuals with incomes up to 138 percent federal of the poverty level. The cost for those newly eligible for coverage are fully federally funded in calendar years 2014, 2015, and 2016 with federal financing phasing down to 90 percent by 2020 and beyond. As of October 2014, 27 states and the District of Columbia have expanded Medicaid while a number of other states continue to debate the issue.

**Long-Term Health Care Spending.** Medicaid spending, similar to health care spending, has historically increased faster than the economy as a whole. The Centers for Medicare and Medicaid Services' (CMS) Office of the Actuary released the *2013 Actuarial Report on the Financial Outlook for Medicaid*. The projected annual average growth rate of Medicaid expenditures from 2013 to 2022 is projected to be 7.1 percent, notably faster than the projection of average annual GDP growth of 5.1 percent, according to the analysis.

## Fund Shares

The figure below provides fund shares for 2013.

**FIGURE 14**  
**STATE EXPENDITURES FOR MEDICAID BY FUND SOURCE, FISCAL 2013**



## Regional Expenditures

The following table shows percentage changes in expenditures for Medicaid for fiscal 2012-2013 and 2013-2014 by region.

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

**TABLE 27**  
**REGIONAL PERCENTAGE CHANGE IN STATE MEDICAID EXPENDITURES, FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	4.4 %	3.9 %	4.2 %	-10.8 %	34.9 %	10.0 %
Mid-Atlantic	4.1	-1.5	0.9	2.8	8.7	6.2
Great Lakes	7.3	10.4	8.8	10.7	21.2	15.9
Plains	0.7	-2.3	-0.9	7.4	11.9	9.8
Southeast	2.4	5.9	4.6	6.9	7.6	7.3
Southwest	-0.4	1.7	0.9	-0.1	20.2	12.4
Rocky Mountain	5.2	9.1	7.3	7.0	14.2	10.9
Far West	37.0	7.4	19.2	-5.1	39.5	19.1
<b>ALL STATES</b>	<b>8.1 %</b>	<b>4.1 %</b>	<b>5.8 %</b>	<b>2.7 %</b>	<b>17.8 %</b>	<b>11.3 %</b>

**TABLE 28**  
**MEDICAID EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012				Actual Fiscal 2013				Estimated Fiscal 2014			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut*	\$5,887	\$0	\$0	<b>\$5,887</b>	\$6,060	\$0	\$0	<b>\$6,060</b>	\$3,638	\$2,992	\$0	<b>\$6,630</b>
Maine*	661	1,443	230	<b>2,334</b>	737	1,517	255	<b>2,509</b>	747	1,767	267	<b>2,781</b>
Massachusetts	3,679	6,752	0	<b>10,431</b>	3,782	6,998	0	<b>10,780</b>	4,668	7,244	0	<b>11,912</b>
New Hampshire	470	584	133	<b>1,187</b>	511	605	169	<b>1,285</b>	546	660	175	<b>1,381</b>
Rhode Island	919	995	10	<b>1,924</b>	939	1,004	11	<b>1,954</b>	1,013	1,214	12	<b>2,239</b>
Vermont*	242	716	309	<b>1,267</b>	295	775	334	<b>1,404</b>	281	830	333	<b>1,444</b>
<b>MID-ATLANTIC</b>												
Delaware	637	784	0	<b>1,421</b>	707	870	0	<b>1,577</b>	662	1,001	0	<b>1,663</b>
Maryland*	2,740	3,617	826	<b>7,183</b>	2,758	3,893	974	<b>7,625</b>	2,897	4,816	860	<b>8,573</b>
New Jersey*	3,777	5,667	1,074	<b>10,518</b>	3,718	5,546	1,092	<b>10,356</b>	3,904	6,888	1,050	<b>11,842</b>
New York	9,783	24,478	4,996	<b>39,257</b>	10,602	23,421	4,769	<b>38,792</b>	10,981	24,237	4,754	<b>39,972</b>
Pennsylvania	7,620	12,245	2,364	<b>22,229</b>	7,945	12,372	2,632	<b>22,949</b>	8,253	13,174	2,829	<b>24,256</b>
<b>GREAT LAKES</b>												
Illinois	4,372	6,189	2,390	<b>12,951</b>	4,811	7,620	3,098	<b>15,529</b>	4,833	9,635	3,337	<b>17,805</b>
Indiana	1,717	4,716	745	<b>7,178</b>	1,883	5,950	956	<b>8,789</b>	1,815	6,225	679	<b>8,719</b>
Michigan*	2,324	8,198	2,016	<b>12,538</b>	2,330	8,194	1,990	<b>12,514</b>	2,278	9,829	2,174	<b>14,281</b>
Ohio*	11,686	4,269	790	<b>16,745</b>	12,030	4,102	878	<b>17,010</b>	13,571	6,317	2,053	<b>21,941</b>
Wisconsin	1,954	4,070	797	<b>6,821</b>	2,144	4,435	762	<b>7,341</b>	2,411	4,709	1,044	<b>8,164</b>
<b>PLAINS</b>												
Iowa	903	2,068	733	<b>3,704</b>	987	2,140	749	<b>3,876</b>	1,157	2,450	665	<b>4,272</b>
Kansas	1,122	1,510	51	<b>2,683</b>	1,100	1,425	58	<b>2,583</b>	1,209	1,627	52	<b>2,888</b>
Minnesota	4,163	4,422	68	<b>8,653</b>	4,007	4,032	7	<b>8,046</b>	4,276	4,962	233	<b>9,471</b>
Missouri	1,719	4,245	2,224	<b>8,188</b>	1,664	4,238	2,308	<b>8,210</b>	1,834	4,378	2,270	<b>8,482</b>
Nebraska	683	935	31	<b>1,649</b>	784	1,003	35	<b>1,822</b>	817	1,006	34	<b>1,857</b>
North Dakota	306	419	5	<b>730</b>	355	421	6	<b>782</b>	392	458	7	<b>857</b>
South Dakota	287	487	0	<b>774</b>	316	500	0	<b>816</b>	351	515	0	<b>866</b>
<b>SOUTHEAST</b>												
Alabama*	575	3,795	1,257	<b>5,627</b>	595	3,820	1,171	<b>5,586</b>	638	3,932	1,126	<b>5,696</b>
Arkansas	630	3,142	652	<b>4,424</b>	736	3,180	595	<b>4,511</b>	818	3,802	404	<b>5,024</b>
Florida	4,010	10,929	4,330	<b>19,269</b>	4,721	11,823	3,788	<b>20,332</b>	5,277	13,562	4,272	<b>23,111</b>
Georgia*	2,641	5,599	335	<b>8,575</b>	2,755	5,915	363	<b>9,033</b>	2,853	5,700	386	<b>8,939</b>
Kentucky	1,319	4,090	373	<b>5,782</b>	1,267	3,923	436	<b>5,626</b>	1,267	5,042	449	<b>6,758</b>
Louisiana	1,289	4,474	588	<b>6,351</b>	1,425	4,721	704	<b>6,850</b>	1,726	4,700	848	<b>7,274</b>
Mississippi	73	3,182	1,050	<b>4,305</b>	316	3,627	891	<b>4,834</b>	468	3,427	743	<b>4,638</b>
North Carolina	3,517	7,535	1,172	<b>12,224</b>	3,404	8,433	1,093	<b>12,930</b>	3,689	8,433	1,100	<b>13,222</b>
South Carolina	640	3,426	719	<b>4,785</b>	688	3,519	683	<b>4,890</b>	746	3,909	773	<b>5,428</b>
Tennessee*	2,792	6,007	534	<b>9,333</b>	2,787	6,121	491	<b>9,399</b>	3,213	6,548	300	<b>10,061</b>
Virginia	3,569	3,465	0	<b>7,034</b>	3,862	3,772	0	<b>7,634</b>	3,934	3,961	0	<b>7,895</b>
West Virginia	543	1,978	243	<b>2,764</b>	375	2,143	490	<b>3,008</b>	518	2,612	404	<b>3,534</b>
<b>SOUTHWEST</b>												
Arizona	2,078	5,782	576	<b>8,436</b>	2,069	5,756	606	<b>8,431</b>	2,019	6,160	650	<b>8,829</b>
New Mexico	849	2,562	229	<b>3,640</b>	868	2,560	250	<b>3,678</b>	864	3,010	263	<b>4,137</b>
Oklahoma	1,205	2,924	605	<b>4,734</b>	1,343	2,931	646	<b>4,920</b>	1,420	3,095	695	<b>5,210</b>
Texas	10,686	16,987	1,654	<b>29,327</b>	10,190	17,483	1,845	<b>29,518</b>	10,880	22,263	1,011	<b>34,154</b>
<b>ROCKY MOUNTAIN</b>												
Colorado*	1,693	2,591	1,686	<b>5,970</b>	1,844	2,805	1,736	<b>6,385</b>	2,092	3,492	1,626	<b>7,210</b>
Idaho	399	1,063	242	<b>1,704</b>	467	1,241	168	<b>1,876</b>	475	1,335	214	<b>2,024</b>
Montana	230	675	91	<b>996</b>	235	736	110	<b>1,081</b>	255	714	86	<b>1,055</b>
Utah	380	1,356	329	<b>2,065</b>	380	1,435	369	<b>2,184</b>	316	1,597	620	<b>2,533</b>
Wyoming	259	294	19	<b>572</b>	272	309	23	<b>604</b>	287	317	24	<b>628</b>
<b>FAR WEST</b>												
Alaska	566	798	5	<b>1,369</b>	605	836	7	<b>1,448</b>	677	966	10	<b>1,653</b>
California	15,228	26,446	1,378	<b>43,052</b>	15,008	28,507	9,608	<b>53,123</b>	16,726	39,991	5,920	<b>62,637</b>
Hawaii*	606	807	0	<b>1,413</b>	796	877	0	<b>1,673</b>	844	1,090	0	<b>1,934</b>
Nevada*	535	1,008	392	<b>1,935</b>	546	1,165	310	<b>2,021</b>	555	1,452	299	<b>2,306</b>
Oregon	1,219	3,094	598	<b>4,911</b>	923	3,476	1,111	<b>5,510</b>	1,331	4,592	788	<b>6,711</b>
Washington*	1,951	2,162	111	<b>4,224</b>	1,764	1,993	280	<b>4,037</b>	1,899	3,330	327	<b>5,556</b>
<b>ALL STATES</b>	<b>\$127,133</b>	<b>\$224,980</b>	<b>\$38,960</b>	<b>\$391,073</b>	<b>\$130,706</b>	<b>\$234,168</b>	<b>\$48,857</b>	<b>\$413,731</b>	<b>\$138,321</b>	<b>\$275,966</b>	<b>\$46,166</b>	<b>\$460,453</b>

\*See notes at the end of the chapter.



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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	21.4 %	21.8 %	22.6 %
Maine	28.8	32.7	34.4
Massachusetts	18.3	18.7	20.2
New Hampshire	23.9	25.6	26.8
Rhode Island	24.3	24.8	28.4
Vermont	25.3	28.3	27.4
<b>MID-ATLANTIC</b>			
Delaware	15.9	17.2	17.3
Maryland	20.6	21.0	22.3
New Jersey	21.6	20.4	21.8
New York	29.4	29.1	29.1
Pennsylvania	26.2	26.9	27.7
<b>GREAT LAKES</b>			
Illinois	21.6	23.8	24.5
Indiana	27.4	31.2	32.0
Michigan	26.5	26.4	27.7
Ohio	28.9	29.2	35.8
Wisconsin	16.5	17.2	18.2
<b>PLAINS</b>			
Iowa	19.6	19.8	21.2
Kansas	18.6	18.5	19.2
Minnesota	28.6	24.3	26.2
Missouri	35.0	35.8	36.6
Nebraska	16.7	17.9	17.6
North Dakota	12.1	13.7	12.6
South Dakota	21.0	19.9	21.1
<b>SOUTHEAST</b>			
Alabama	22.9	22.8	23.4
Arkansas	21.4	21.0	22.1
Florida	30.6	31.8	31.1
Georgia	20.8	21.3	21.2
Kentucky	22.5	21.9	23.4
Louisiana	23.4	25.1	25.0
Mississippi	23.9	26.1	24.5
North Carolina	24.5	30.0	29.9
South Carolina	21.7	22.0	25.3
Tennessee	30.7	30.8	31.1
Virginia	16.2	16.7	17.3
West Virginia	12.6	13.5	14.8
<b>SOUTHWEST</b>			
Arizona	30.0	29.8	29.9
New Mexico	25.3	25.0	25.5
Oklahoma	22.6	23.0	23.4
Texas	31.5	31.7	33.7
<b>ROCKY MOUNTAIN</b>			
Colorado	20.7	22.0	23.8
Idaho	27.2	28.0	27.5
Montana	16.8	17.9	17.0
Utah	17.5	17.2	18.9
Wyoming	9.9	6.6	8.2
<b>FAR WEST</b>			
Alaska	11.6	12.2	14.3
California	21.6	25.1	27.2
Hawaii	12.3	14.4	15.4
Nevada	25.4	22.7	26.4
Oregon	18.2	21.4	23.6
Washington	12.7	11.9	15.5
<b>ALL STATES</b>	<b>23.6 %</b>	<b>24.5 %</b>	<b>25.8 %</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	2.9 %	— %	2.9 %	-40.0 %	— %	9.4 %
Maine	11.3	5.1	7.5	2.2	16.5	10.8
Massachusetts	2.8	3.6	3.3	23.4	3.5	10.5
New Hampshire	12.8	3.6	8.3	6.0	9.1	7.5
Rhode Island	2.3	0.9	1.6	7.9	20.9	14.6
Vermont	14.2	8.2	10.8	-2.4	7.1	2.8
<b>MID-ATLANTIC</b>						
Delaware	11.0	11.0	11.0	-6.4	15.1	5.5
Maryland	4.7	7.6	6.2	0.7	23.7	12.4
New Jersey	-0.8	-2.1	-1.5	3.0	24.2	14.3
New York	4.0	-4.3	-1.2	2.4	3.5	3.0
Pennsylvania	5.9	1.0	3.2	4.8	6.5	5.7
<b>GREAT LAKES</b>						
Illinois	17.0	23.1	19.9	3.3	26.4	14.7
Indiana	15.3	26.2	22.4	-12.2	4.6	-0.8
Michigan	-0.5	0.0	-0.2	3.1	20.0	14.1
Ohio	3.5	-3.9	1.6	21.0	54.0	29.0
Wisconsin	5.6	9.0	7.6	18.9	6.2	11.2
<b>PLAINS</b>						
Iowa	6.1	3.5	4.6	5.0	14.5	10.2
Kansas	-1.3	-5.6	-3.7	8.9	14.2	11.8
Minnesota	-5.1	-8.8	-7.0	12.3	23.1	17.7
Missouri	0.7	-0.2	0.3	3.3	3.3	3.3
Nebraska	14.7	7.3	10.5	3.9	0.3	1.9
North Dakota	16.1	0.5	7.1	10.5	8.8	9.6
South Dakota	10.1	2.7	5.4	11.1	3.0	6.1
<b>SOUTHEAST</b>						
Alabama	-3.6	0.7	-0.7	-0.1	2.9	2.0
Arkansas	3.8	1.2	2.0	-8.2	19.6	11.4
Florida	2.0	8.2	5.5	12.2	14.7	13.7
Georgia	4.8	5.6	5.3	3.9	-3.6	-1.0
Kentucky	0.7	-4.1	-2.7	0.8	28.5	20.1
Louisiana	13.4	5.5	7.9	20.9	-0.4	6.2
Mississippi	7.5	14.0	12.3	0.3	-5.5	-4.1
North Carolina	-4.1	11.9	5.8	6.5	0.0	2.3
South Carolina	0.9	2.7	2.2	10.8	11.1	11.0
Tennessee	-1.4	1.9	0.7	7.2	7.0	7.0
Virginia	8.2	8.9	8.5	1.9	5.0	3.4
West Virginia	10.1	8.3	8.8	6.6	21.9	17.5
<b>SOUTHWEST</b>						
Arizona	0.8	-0.4	-0.1	-0.2	7.0	4.7
New Mexico	3.7	-0.1	1.0	0.8	17.6	12.5
Oklahoma	9.9	0.2	3.9	6.3	5.6	5.9
Texas	-2.5	2.9	0.7	-1.2	27.3	15.7
<b>ROCKY MOUNTAIN</b>						
Colorado	5.9	8.3	7.0	3.9	24.5	12.9
Idaho	-0.9	16.7	10.1	8.5	7.6	7.9
Montana	7.5	9.0	8.5	-1.2	-3.0	-2.4
Utah	5.6	5.8	5.8	25.0	11.3	16.0
Wyoming	6.1	5.1	5.6	5.4	2.6	4.0
<b>FAR WEST</b>						
Alaska	7.2	4.8	5.8	12.3	15.6	14.2
California	48.2	7.8	23.4	-8.0	40.3	17.9
Hawaii	31.4	8.7	18.4	6.0	24.3	15.6
Nevada	-7.7	15.6	4.4	-0.2	24.6	14.1
Oregon	11.9	12.3	12.2	4.2	32.1	21.8
Washington	-0.9	-7.8	-4.4	8.9	67.1	37.6
<b>ALL STATES</b>	<b>8.1 %</b>	<b>4.1 %</b>	<b>5.8 %</b>	<b>2.7 %</b>	<b>17.8 %</b>	<b>11.3 %</b>

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

## Medicaid Notes

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States were asked to report Medicaid expenditures as follows:

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

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

**Alabama:** Fiscal 2012 through fiscal 2014 Other State Funds includes provider taxes in the amounts of \$342 million, \$356 million, and \$382 million, respectively.

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

**Connecticut:** In fiscal 2012 and fiscal 2013, Medicaid was “gross funded” with federal funds deposited directly to the State Treasury. Beginning in fiscal 2014, the Medicaid appropriation in the Department of Social Services (DSS) is “net funded” while other Medicaid expenditures remain gross funded. With the exception of enhanced FMAP available for certain populations and services, Connecticut’s FMAP is 50%. Includes Medicaid expenditures for administrative services organizations and fiscal intermediaries in DSS. Excludes state portion of Qualified Medicare Beneficiaries 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.

**Georgia:** State general funds paid by other agencies to the state Medicaid agency are reflected as state general funds rather than other funds.

**Maine:** Medicaid Other State Funds provider taxes are: fiscal 2012 \$151.2 million; fiscal 2013 \$153.3 million; fiscal 2014 \$168.1 million.

**Maryland:** There was a slight change in the methodology used to calculate Medicaid compared to prior years. The CHIP figures for this year are slightly higher due to CHIP expenditures being accounted for in all State agencies, not just the Medical Care Programs Administration.

**Michigan:** Fiscal 2012 general fund spending includes Medicare Part D payments of \$178 million inadvertently excluded for the 2013 survey. Increased spending in fiscal 2014 is primarily due to implementation of the Healthy Michigan Plan. Other state funds include local funds of \$73.0 million and provider taxes of \$959.0 million for fiscal 2012; local funds of \$96.5 million and provider taxes of \$948.0 million for fiscal 2013; and local funds of \$99.6 million and provider taxes of \$833.3 million for fiscal 2014. Federal revenue support includes federal ARRA/FMAP funding of \$31.5 million for fiscal 2012. Actual ARRA expenditures will be recorded with the fiscal 2014 annual financial report. Public health and community and institutional care for mentally and developmentally disabled persons are partially reported in the Medicaid totals.

**Nevada:** CHIP medical expenditures are included in Medicaid totals. Starting in 2014, CHIP staff is included in All Other Expenditures. Before 2014, CHIP staff was included in Medicaid totals as well.

**New Jersey:** Medicaid Other State Funds: FY12/FY13/FY14 (in millions): Nursing Home Provider Tax \$121/\$134/\$126; Other Assessments/Taxes/Fees \$572/\$571/\$559. Beginning in FFY14, CHIP parents were moved to Medicaid (Title XIX).

**Ohio:** Previously Medicaid totals only included expenditures by the Department of Job and Family Services; however, now the category includes expenditures from other agencies.

**Tennessee:** Regarding premium revenue: fiscal 2012 totals \$291 million, fiscal 2013 totals \$302 million, and fiscal 2014 totals \$368 million. Certified Public Expenditures – Local fund from Hospitals: fiscal 2012 totals \$374 million, fiscal 2013 totals \$378 million, and fiscal 2014 totals \$275 million. Nursing Home Tax: fiscal 2012 totals \$82 million, fiscal 2013 totals \$83 million, and fiscal 2014 totals \$82 million. ICF/MR 6 percent Gross Receipts Tax: fiscal 2012 totals \$11 million, fiscal 2013 totals \$14 million, and fiscal 2014 totals \$11 million. Intergovernmental Transfers: fiscal 2012 totals \$70 million, fiscal 2013 totals \$70 million, and fiscal 2014 totals \$100 million.

**Vermont:** The breakdown of local funds, etc. included in Other State Funds is as follows for fiscal 2012: provider tax \$144,415,197; employee assessment \$11,168,000; local match provided by schools \$16,151,589; tobacco litigation settlement funds \$36,978,473; other \$100,859,035. The breakdown is as follows for fiscal 2013: provider tax \$148,638,656; employee assessment \$11,886,600; local match provided by schools \$17,758,156; tobacco litigation settlement funds

\$31,343,693, other \$124,012,725. The breakdown is as follows for estimated fiscal 2014: provider tax \$154,109,028; employee assessment \$12,995,400; local match provided by schools \$19,206,889; tobacco litigation settlement funds \$35,975,693, other \$110,272,870.

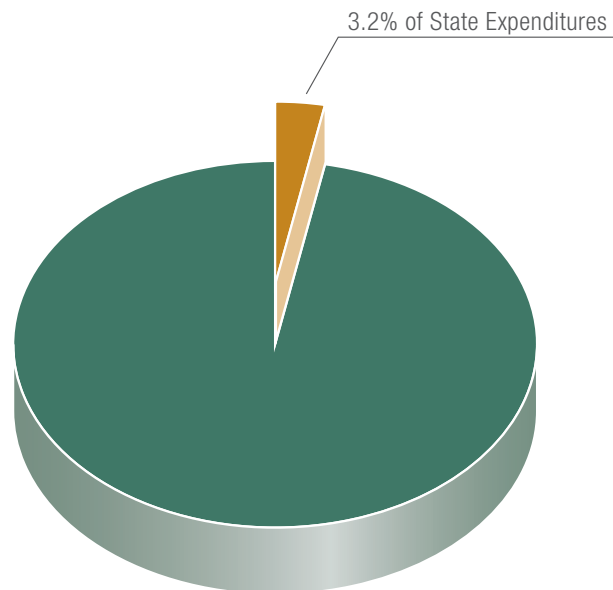
**Washington:** Declines in general fund Medicaid spending is partly attributable to Medicaid caseloads falling below previous levels in recent years, however there is an expectation that with the Affordable Care Act, caseloads will increase because of efforts to insure as many citizens as possible.

# 5

CHAPTER



## CORRECTIONS EXPENDITURES



## Corrections Expenditures

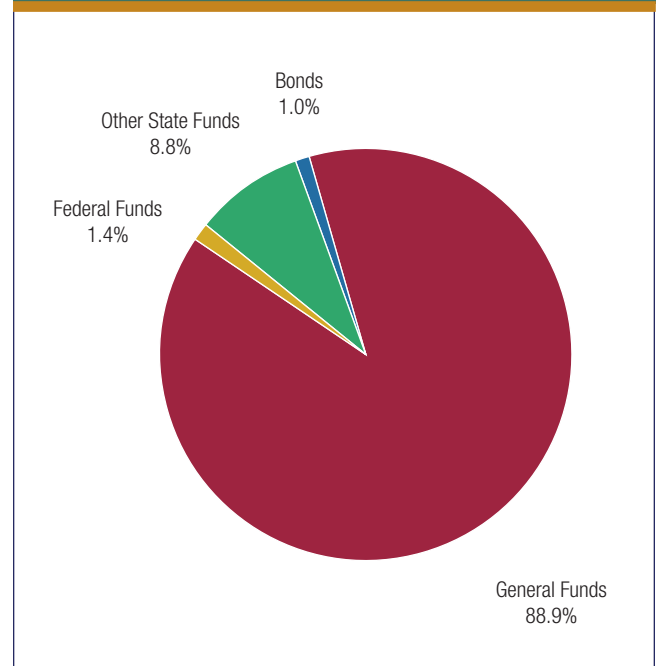
State spending on corrections reflects the costs to build and operate prison systems and may include spending on juvenile justice programs and alternatives to incarceration such as probation and parole. State spending for corrections totaled \$53.3 billion in fiscal 2013, compared to \$53.1 billion in fiscal 2012, a 0.5 percent increase. The slight increase in the overall growth rate is partly due to recent efforts states have taken to control corrections spending. Over the past several years, states have begun targeting criminal justice reforms to address the cost drivers of corrections expenditures. According to a September 2013 NASBO issue brief, states have begun controlling costs through reducing recidivism rates, implementing changes to parole and probation systems, enhancing community supervision and drug treatment programs, and enacting sentencing reforms.

In fiscal 2013, corrections spending represented 3.2 percent of total state spending and 6.9 percent of general fund spending. General fund dollars are the primary source for state corrections and account for \$47.4 billion, or 88.9 percent, of all fiscal 2013 state corrections spending. State funds (general funds and other state funds combined, but excluding bonds) accounted for 97.7 percent of total state corrections spending in fiscal 2013. Federal funds accounted for 1.4 percent and bonds accounted for 1.0 percent. Federal funds for corrections declined by 25.5 percent in fiscal 2013, as *American Recovery and Reinvestment Act* (ARRA) funds expired.

State spending on corrections in fiscal 2014 is estimated to total \$55.5 billion, a 4.0 percent increase from fiscal 2013. State funds are estimated to increase by 4.0 percent, while federal funds are estimated to increase by 4.3 percent.

Data on capital expenditures for corrections are displayed in Chapter Eight (Table 49).

**FIGURE 15**  
**STATE EXPENDITURES FOR CORRECTIONS BY FUND SOURCE, FISCAL 2013**



## Regional Expenditures

Table 31 shows changes in corrections expenditures by region between fiscal 2012 and fiscal 2013 and between fiscal 2013 and estimated fiscal 2014.

## Corrections—Expenditures Exclusions

Some states exclude certain items when reporting corrections expenditures. Nineteen states wholly or partially excluded juvenile delinquency counseling from their corrections figures and 16 states wholly or partially excluded spending on juvenile institutions. Some states wholly or partially excluded spending on drug abuse rehabilitation centers (18), institutions for the criminally insane (37), and aid to local governments for jails (20). For details, see Table 36.

**TABLE 31**  
REGIONAL PERCENTAGE CHANGE IN STATE CORRECTIONS EXPENDITURES,  
FISCAL 2013 AND 2014

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	1.1 %	-8.3 %	1.3 %	4.1 %	18.2 %	5.7 %
Mid-Atlantic	3.9	4.4	1.5	0.8	-16.9	1.1
Great Lakes	0.8	-8.4	0.8	3.7	-1.7	3.4
Plains	1.2	-37.5	1.7	7.4	20.0	6.3
Southeast	1.6	-22.1	0.5	3.6	7.7	3.6
Southwest	1.5	-27.5	1.4	2.4	5.4	2.9
Rocky Mountain	3.2	-91.1	-5.6	10.0	0.0	9.9
Far West	-0.4	-7.3	-0.3	5.8	37.3	5.6
<b>ALL STATES</b>	<b>1.3 %</b>	<b>-25.5 %</b>	<b>0.5 %</b>	<b>4.0 %</b>	<b>4.3 %</b>	<b>4.0 %</b>

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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$671	\$4	\$0	\$19	<b>\$694</b>	\$636	\$4	\$0	\$5	<b>\$645</b>	\$678	\$4	\$0	\$4	<b>\$686</b>
Maine*	133	1	7	0	<b>141</b>	133	2	5	0	<b>140</b>	154	2	4	0	<b>160</b>
Massachusetts	1,225	5	3	21	<b>1,254</b>	1,268	3	3	42	<b>1,316</b>	1,310	5	3	85	<b>1,403</b>
New Hampshire	95	0	5	3	<b>103</b>	95	0	5	2	<b>102</b>	99	0	5	1	<b>105</b>
Rhode Island	185	2	3	0	<b>190</b>	184	2	18	0	<b>204</b>	187	2	5	0	<b>194</b>
Vermont	129	0	8	1	<b>138</b>	135	0	9	1	<b>145</b>	141	0	8	1	<b>150</b>
<b>MID-ATLANTIC</b>															
Delaware	262	1	6	0	<b>269</b>	265	1	5	1	<b>272</b>	273	1	5	3	<b>282</b>
Maryland*	1,294	40	102	17	<b>1,453</b>	1,307	41	104	8	<b>1,460</b>	1,361	36	111	30	<b>1,538</b>
New Jersey	1,474	16	88	0	<b>1,578</b>	1,505	15	79	0	<b>1,599</b>	1,572	16	83	0	<b>1,671</b>
New York	2,648	102	81	240	<b>3,071</b>	2,918	110	73	192	<b>3,293</b>	2,747	86	68	231	<b>3,132</b>
Pennsylvania*	2,098	22	100	137	<b>2,357</b>	2,110	22	105	0	<b>2,237</b>	2,218	18	100	0	<b>2,336</b>
<b>GREAT LAKES</b>															
Illinois	1,326	0	81	7	<b>1,414</b>	1,280	0	79	19	<b>1,378</b>	1,390	0	87	14	<b>1,491</b>
Indiana	694	5	53	0	<b>752</b>	687	5	58	0	<b>750</b>	714	4	51	0	<b>769</b>
Michigan*	2,034	107	70	2	<b>2,213</b>	2,030	98	68	0	<b>2,196</b>	2,094	99	77	0	<b>2,270</b>
Ohio	1,661	17	77	24	<b>1,779</b>	1,727	15	73	26	<b>1,841</b>	1,741	13	82	20	<b>1,856</b>
Wisconsin	1,083	2	109	0	<b>1,194</b>	1,138	2	105	0	<b>1,245</b>	1,168	2	108	0	<b>1,278</b>
<b>PLAINS</b>															
Iowa	354	4	53	1	<b>412</b>	361	0	17	37	<b>415</b>	375	2	110	2	<b>489</b>
Kansas	332	8	18	9	<b>367</b>	352	2	22	7	<b>383</b>	352	7	24	7	<b>390</b>
Minnesota	444	6	17	14	<b>481</b>	469	3	15	8	<b>495</b>	481	4	17	19	<b>521</b>
Missouri	577	6	35	0	<b>618</b>	589	5	32	0	<b>626</b>	604	3	36	0	<b>643</b>
Nebraska	197	2	25	0	<b>224</b>	198	2	22	0	<b>222</b>	233	2	24	0	<b>259</b>
North Dakota	79	4	33	0	<b>116</b>	82	3	25	0	<b>110</b>	78	3	12	0	<b>93</b>
South Dakota	80	10	8	0	<b>98</b>	86	10	8	0	<b>104</b>	92	9	8	0	<b>109</b>
<b>SOUTHEAST</b>															
Alabama	470	26	101	0	<b>597</b>	452	19	112	0	<b>583</b>	486	21	114	0	<b>621</b>
Arkansas	391	1	63	0	<b>455</b>	385	1	63	0	<b>449</b>	401	2	70	0	<b>473</b>
Florida	2,375	77	118	60	<b>2,630</b>	2,291	70	113	18	<b>2,492</b>	2,467	91	144	0	<b>2,702</b>
Georgia*	1,414	9	60	27	<b>1,510</b>	1,458	11	73	13	<b>1,555</b>	1,480	3	19	28	<b>1,530</b>
Kentucky	533	14	58	0	<b>605</b>	558	13	46	0	<b>617</b>	546	15	48	0	<b>609</b>
Louisiana*	709	2	80	1	<b>792</b>	710	2	94	3	<b>809</b>	724	2	87	5	<b>818</b>
Mississippi	311	2	26	0	<b>339</b>	312	0	49	0	<b>361</b>	335	0	27	0	<b>362</b>
North Carolina	1,645	155	150	0	<b>1,950</b>	1,694	108	178	0	<b>1,980</b>	1,741	110	180	0	<b>2,031</b>
South Carolina	465	9	120	0	<b>594</b>	492	6	104	0	<b>602</b>	512	6	101	0	<b>619</b>
Tennessee	769	1	52	0	<b>822</b>	819	0	49	0	<b>868</b>	929	0	80	0	<b>1,009</b>
Virginia*	1,136	21	96	17	<b>1,270</b>	1,174	17	76	23	<b>1,290</b>	1,151	16	73	21	<b>1,261</b>
West Virginia	214	0	2	0	<b>216</b>	230	0	6	0	<b>236</b>	226	0	7	0	<b>233</b>
<b>SOUTHWEST</b>															
Arizona	963	18	50	0	<b>1,031</b>	947	8	44	0	<b>999</b>	972	10	57	0	<b>1,039</b>
New Mexico	257	1	22	0	<b>280</b>	266	3	22	0	<b>291</b>	271	0	23	0	<b>294</b>
Oklahoma	398	3	121	0	<b>522</b>	459	2	102	0	<b>563</b>	474	2	104	0	<b>580</b>
Texas	3,140	29	87	31	<b>3,287</b>	3,195	24	81	40	<b>3,340</b>	3,254	27	84	66	<b>3,431</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	668	7	98	0	<b>773</b>	670	5	88	0	<b>763</b>	695	5	199	0	<b>899</b>
Idaho	191	5	34	0	<b>230</b>	211	7	37	0	<b>255</b>	221	7	40	0	<b>268</b>
Montana	170	1	12	0	<b>183</b>	178	1	12	0	<b>191</b>	182	1	12	0	<b>195</b>
Utah	237	1	1	0	<b>239</b>	239	1	29	0	<b>269</b>	240	1	30	0	<b>271</b>
Wyoming	126	144	10	0	<b>280</b>	123	0	9	0	<b>132</b>	127	0	10	0	<b>137</b>
<b>FAR WEST</b>															
Alaska	315	5	38	0	<b>358</b>	346	4	37	0	<b>387</b>	372	7	33	0	<b>412</b>
California	7,723	79	2,874	0	<b>10,676</b>	8,490	77	2,088	1	<b>10,656</b>	9,208	106	2,132	3	<b>11,449</b>
Hawaii*	218	2	10	0	<b>230</b>	218	0	13	0	<b>231</b>	209	2	11	0	<b>222</b>
Nevada	239	3	29	4	<b>275</b>	238	3	29	12	<b>282</b>	249	3	35	4	<b>291</b>
Oregon	817	16	207	14	<b>1,054</b>	802	16	176	17	<b>1,011</b>	885	18	20	3	<b>926</b>
Washington	898	5	8	29	<b>940</b>	873	2	11	33	<b>919</b>	921	4	15	6	<b>946</b>
<b>TOTAL</b>	<b>\$45,867</b>	<b>\$1,000</b>	<b>\$5,509</b>	<b>\$678</b>	<b>\$53,054</b>	<b>\$47,385</b>	<b>\$745</b>	<b>\$4,671</b>	<b>\$508</b>	<b>\$53,309</b>	<b>\$49,340</b>	<b>\$777</b>	<b>\$4,783</b>	<b>\$553</b>	<b>\$55,453</b>

\*See notes at the end of the chapter.



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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	2.5 %	2.3 %	2.3 %
Maine	1.7	1.8	2.0
Massachusetts	2.2	2.3	2.4
New Hampshire	2.1	2.0	2.0
Rhode Island	2.4	2.6	2.5
Vermont	2.8	2.9	2.8
<b>MID-ATLANTIC</b>			
Delaware	3.0	3.0	2.9
Maryland	4.2	4.0	4.0
New Jersey	3.2	3.1	3.1
New York	2.3	2.5	2.3
Pennsylvania	2.8	2.6	2.7
<b>GREAT LAKES</b>			
Illinois	2.4	2.1	2.0
Indiana	2.9	2.7	2.8
Michigan	4.7	4.6	4.4
Ohio	3.1	3.2	3.0
Wisconsin	2.9	2.9	2.8
<b>PLAINS</b>			
Iowa	2.2	2.1	2.4
Kansas	2.5	2.7	2.6
Minnesota	1.6	1.5	1.4
Missouri	2.6	2.7	2.8
Nebraska	2.3	2.2	2.5
North Dakota	1.9	1.9	1.4
South Dakota	2.7	2.5	2.7
<b>SOUTHEAST</b>			
Alabama	2.4	2.4	2.5
Arkansas	2.2	2.1	2.1
Florida	4.2	3.9	3.6
Georgia	3.7	3.7	3.6
Kentucky	2.4	2.4	2.1
Louisiana	2.9	3.0	2.8
Mississippi	1.9	2.0	1.9
North Carolina	3.9	4.6	4.6
South Carolina	2.7	2.7	2.9
Tennessee	2.7	2.8	3.1
Virginia	2.9	2.8	2.8
West Virginia	1.0	1.1	1.0
<b>SOUTHWEST</b>			
Arizona	3.7	3.5	3.5
New Mexico	1.9	2.0	1.8
Oklahoma	2.5	2.6	2.6
Texas	3.5	3.6	3.4
<b>ROCKY MOUNTAIN</b>			
Colorado	2.7	2.6	3.0
Idaho	3.7	3.8	3.6
Montana	3.1	3.2	3.2
Utah	2.0	2.1	2.0
Wyoming	4.9	1.4	1.8
<b>FAR WEST</b>			
Alaska	3.0	3.3	3.6
California	5.4	5.0	5.0
Hawaii	2.0	2.0	1.8
Nevada	3.6	3.2	3.3
Oregon	3.9	3.9	3.3
Washington	2.8	2.7	2.6
<b>ALL STATES</b>	<b>3.2 %</b>	<b>3.2 %</b>	<b>3.1 %</b>

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

Region/State	Fiscal 2012		Fiscal 2013		Fiscal 2014
<b>NEW ENGLAND</b>					
Connecticut	3.6	%	3.3	%	4.0
Maine	4.3		4.4		4.9
Massachusetts	4.7		4.7		4.5
New Hampshire	7.4		7.5		7.9
Rhode Island	5.9		5.7		5.7
Vermont	10.1		10.0		10.2
<b>MID-ATLANTIC</b>					
Delaware	7.3		7.2		7.2
Maryland	8.7		8.6		8.7
New Jersey	4.9		4.8		4.8
New York	4.7		4.9		4.5
Pennsylvania	7.8		7.6		7.8
<b>GREAT LAKES</b>					
Illinois	4.5		4.2		4.5
Indiana	5.1		4.8		4.9
Michigan	23.6		22.9		21.3
Ohio	6.3		6.3		6.0
Wisconsin	8.1		8.1		8.0
<b>PLAINS</b>					
Iowa	5.9		5.7		5.6
Kansas	5.4		5.7		5.8
Minnesota	2.7		2.5		2.4
Missouri	7.3		7.3		7.2
Nebraska	5.7		5.5		6.1
North Dakota	3.6		3.7		2.4
South Dakota	6.6		6.7		6.4
<b>SOUTHEAST</b>					
Alabama	6.4		6.3		6.2
Arkansas	8.5		8.1		8.2
Florida	10.3		9.4		9.2
Georgia	8.2		8.1		7.7
Kentucky	5.7		5.9		5.6
Louisiana	8.5		8.4		8.4
Mississippi	6.9		6.6		6.9
North Carolina	8.1		8.4		8.3
South Carolina	8.4		7.9		8.1
Tennessee	6.6		6.8		6.9
Virginia	6.7		6.2		6.4
West Virginia	5.2		5.4		5.3
<b>SOUTHWEST</b>					
Arizona	11.4		10.9		11.0
New Mexico	4.7		4.7		4.6
Oklahoma	6.1		6.6		6.7
Texas	7.0		7.5		6.6
<b>ROCKY MOUNTAIN</b>					
Colorado	9.1		8.4		8.0
Idaho	7.6		7.8		7.9
Montana	9.6		9.1		8.9
Utah	5.0		4.8		4.5
Wyoming	5.1		3.3		4.2
<b>FAR WEST</b>					
Alaska	4.3		4.8		5.3
California	8.9		8.8		9.1
Hawaii	4.0		3.8		3.3
Nevada	7.8		7.5		7.6
Oregon	11.8		13.5		11.2
Washington	5.9		5.6		5.8
<b>ALL STATES</b>	<b>6.9</b>	<b>%</b>	<b>6.9</b>	<b>%</b>	<b>6.8</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-5.2 %	0.0 %	-7.1 %	6.6 %	0.0 %	6.4 %
Maine	-1.4	100.0	-0.7	14.5	0.0	14.3
Massachusetts	3.5	-40.0	4.9	3.3	66.7	6.6
New Hampshire	0.0	---	-1.0	4.0	---	2.9
Rhode Island	7.4	0.0	7.4	-5.0	0.0	-4.9
Vermont	5.1	---	5.1	3.5	---	3.4
<b>MID-ATLANTIC</b>						
Delaware	0.7	0.0	1.1	3.0	0.0	3.7
Maryland	1.1	2.5	0.5	4.3	-12.2	5.3
New Jersey	1.4	-6.3	1.3	4.5	6.7	4.5
New York	9.6	7.8	7.2	-5.9	-21.8	-4.9
Pennsylvania	0.8	0.0	-5.1	4.7	-18.2	4.4
<b>GREAT LAKES</b>						
Illinois	-3.4	---	-2.5	8.7	---	8.2
Indiana	-0.3	0.0	-0.3	2.7	-20.0	2.5
Michigan	-0.3	-8.4	-0.8	3.5	1.0	3.4
Ohio	3.6	-11.8	3.5	1.3	-13.3	0.8
Wisconsin	4.3	0.0	4.3	2.7	0.0	2.7
<b>PLAINS</b>						
Iowa	-7.1	-100.0	0.7	28.3	---	17.8
Kansas	6.9	-75.0	4.4	0.5	250.0	1.8
Minnesota	5.0	-50.0	2.9	2.9	33.3	5.3
Missouri	1.5	-16.7	1.3	3.1	-40.0	2.7
Nebraska	-0.9	0.0	-0.9	16.8	0.0	16.7
North Dakota	-4.5	-25.0	-5.2	-15.9	0.0	-15.5
South Dakota	6.8	0.0	6.1	6.4	-10.0	4.8
<b>SOUTHEAST</b>						
Alabama	-1.2	-26.9	-2.3	6.4	10.5	6.5
Arkansas	-1.3	0.0	-1.3	5.1	100.0	5.3
Florida	-3.6	-9.1	-5.2	8.6	30.0	8.4
Georgia*	3.9	22.2	3.0	-2.1	-72.7	-1.6
Kentucky	2.2	-7.1	2.0	-1.7	15.4	-1.3
Louisiana	1.9	0.0	2.1	0.9	0.0	1.1
Mississippi	7.1	-100.0	6.5	0.3	---	0.3
North Carolina	4.3	-30.3	1.5	2.6	1.9	2.6
South Carolina	1.9	-33.3	1.3	2.9	0.0	2.8
Tennessee	5.7	-100.0	5.6	16.2	---	16.2
Virginia	1.5	-19.0	1.6	-2.1	-5.9	-2.2
West Virginia	9.3	---	9.3	-1.3	---	-1.3
<b>SOUTHWEST</b>						
Arizona	-2.2	-55.6	-3.1	3.8	25.0	4.0
New Mexico	3.2	200.0	3.9	2.1	-100.0	1.0
Oklahoma	8.1	-33.3	7.9	3.0	0.0	3.0
Texas	1.5	-17.2	1.6	1.9	12.5	2.7
<b>ROCKY MOUNTAIN</b>						
Colorado	-1.0	-28.6	-1.3	17.9	0.0	17.8
Idaho	10.2	40.0	10.9	5.2	0.0	5.1
Montana	4.4	0.0	4.4	2.1	0.0	2.1
Utah	12.6	0.0	12.6	0.7	0.0	0.7
Wyoming	-2.9	-100.0	-52.9	3.8	---	3.8
<b>FAR WEST</b>						
Alaska	8.5	-20.0	8.1	5.7	75.0	6.5
California	-0.2	-2.5	-0.2	7.2	37.7	7.4
Hawaii	1.3	-100.0	0.4	-4.8	---	-3.9
Nevada	-0.4	0.0	2.5	6.4	0.0	3.2
Oregon	-4.5	0.0	-4.1	-7.5	12.5	-8.4
Washington	-2.4	-60.0	-2.2	5.9	100.0	2.9
<b>ALL STATES</b>	<b>1.3 %</b>	<b>-25.5 %</b>	<b>0.5 %</b>	<b>4.0 %</b>	<b>4.3 %</b>	<b>4.0 %</b>

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
<b>NEW ENGLAND</b>							
Connecticut	X	X			X	P	X
Maine							X
Massachusetts	X	X				X	X
New Hampshire			X	X	X		
Rhode Island			X	X	X		X
Vermont			X	X	X	P	X
<b>MID-ATLANTIC</b>							
Delaware					X		
Maryland*						X	X
New Jersey							X
New York	P	P	P	X	X		X
Pennsylvania							
<b>GREAT LAKES</b>							
Illinois							
Indiana					X	P	X
Michigan*			P			X	X
Ohio							
Wisconsin							
<b>PLAINS</b>							
Iowa							
Kansas							
Minnesota			P		X	P	X
Missouri	X	X	X	X		P	X
Nebraska					N/A	X	X
North Dakota							X
South Dakota					X		X
<b>SOUTHEAST</b>							
Alabama					X		X
Arkansas			X	X			X
Florida					X	P	X
Georgia							X
Kentucky							X
Louisiana*							
Mississippi			X	X			X
North Carolina					X		
South Carolina							
Tennessee			X	X			P
Virginia							
West Virginia		X	X	X	X	X	X
<b>SOUTHWEST</b>							
Arizona			X	X	X		X
New Mexico			X	X	X		X
Oklahoma			X	X		X	X
Texas	P			X	X		X
<b>ROCKY MOUNTAIN</b>							
Colorado*			X	P			P
Idaho							X
Montana						P	X
Utah			X			X	X
Wyoming							
<b>FAR WEST</b>							
Alaska			P			X	X
California						X	X
Hawaii*	P	P	X	X	X		X
Nevada			X	X	X		X
Oregon						P	X
Washington					X	X	X
<b>ALL STATES</b>	<b>6</b>	<b>6</b>	<b>19</b>	<b>16</b>	<b>20</b>	<b>18</b>	<b>37</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Corrections Notes

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

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

**Georgia:** Estimated federal funds expenditures in FY 2014 reflect amounts as appropriated in the annual appropriations act. The Georgia State Constitution allows for federal funds to be “continuously appropriated” throughout the fiscal year and additional federal funds are amended into the budget with approval of the Governor’s Office of Planning and Budget as they become available during the fiscal year.

**Louisiana:** Funding is provided to local governments/jails on a per-offender basis for the housing of state offenders.

**Maine:** Previous surveys omitted the Board of Corrections from the corrections expenditure category. Fiscal 2014 includes that data.

**Maryland:** Responsibility for education at the three Department of Juvenile Services (DJS) facilities were transferred to the Maryland State Department of Education during fiscal 2013. Fiscal 2012 numbers (and forward) were updated from last year to reflect the elimination of counting Maryland’s e-911 system (a non corrections-related program) in the total, which is budgeted in Public Safety and was counted last year. Fiscal 2012 numbers (and forward) were updated from last year to reflect the addition of counting DJS’ substance abuse general administration.

**Michigan:** Figures include adult inmate and juvenile justice expenditures.

**Pennsylvania:** Beginning in fiscal 2013, the commonwealth no longer has a program in which capital funds are dedicated strictly for the DOC and its needs.

**Virginia:** The decline in corrections spending in fiscal 2013 is partly the result of the consolidation of the Department of Correctional Education in the Department of Corrections.

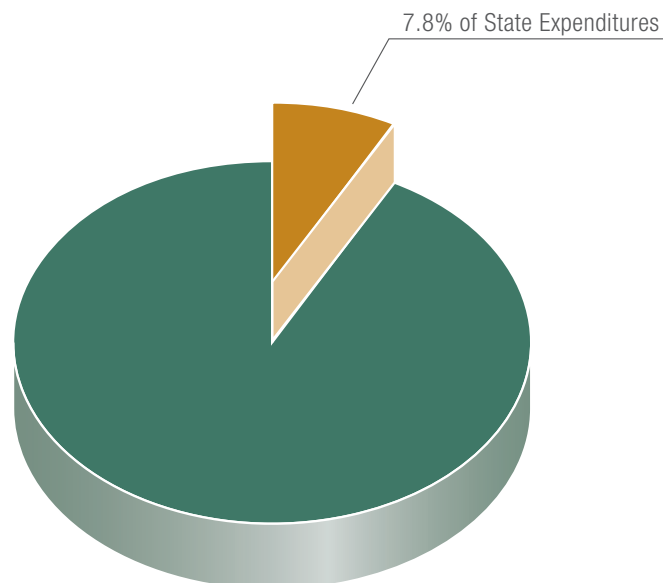


# 6

CHAPTER



## TRANSPORTATION EXPENDITURES



## Transportation Expenditures

Transportation expenditures totaled \$131.6 billion in fiscal 2013, 7.8 percent of total state spending and an increase of 2.7 percent over the previous year. State funds (general funds and other state funds combined, excluding bonds) for transportation increased 2.0 percent in fiscal 2013, while federal funds grew 0.6 percent. In fiscal 2014, total state expenditures for transportation are estimated to grow by 4.2 percent, with state funds increasing 10.2 percent and federal funds declining 1.4 percent. The slight decline in federal funds in fiscal 2014 is partly related to less *American Recovery and Reinvestment Act* (ARRA) funds.

Approximately 53.3 percent of fiscal 2013 transportation expenditures are funded from earmarked revenues placed in special transportation trust funds, captured in the “Other State Funds” category in this report. The largest earmarked revenue source is states’ motor fuel excise taxes. While “Other State Funds” account for the majority of transportation spending, federal funds also play a large role. In fiscal 2013, federal funds accounted for 32.2 percent of total transportation spending, with bonds (10.8 percent) and general funds (3.7 percent) comprising the remaining amount.

## Federal Transportation Funding

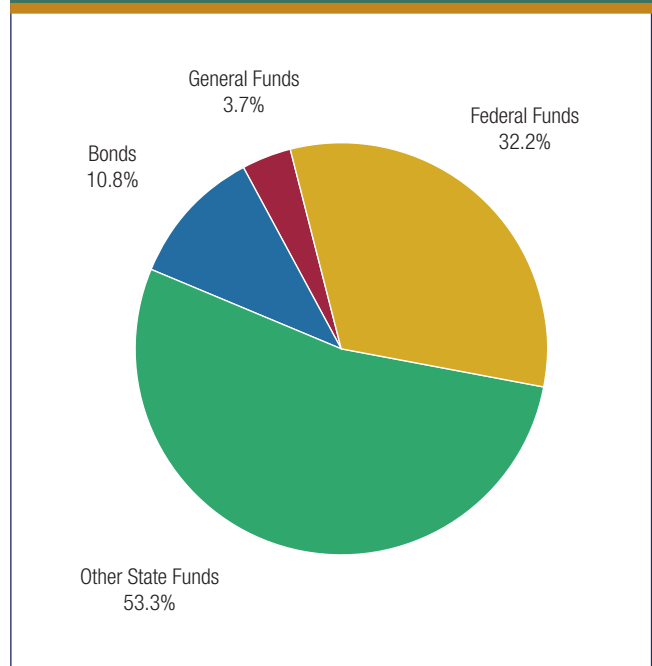
On July 6, 2012, President Obama signed into law the *Moving Ahead for Progress in the 21st Century Act (MAP-21)*. The legislation (P.L. 112-141) marked the first long-term reauthorization for surface transportation programs passed since the 2005 *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)*. Federal-aid highway programs had been operating under a series of temporary

extensions since SAFETEA-LU expired in 2009. MAP-21 covered highway programs through September 2014 at current spending levels and restructured programs to offer more flexibility to states to decide how to allocate funds. MAP-21 funded surface transportation programs at over \$105 billion for federal fiscal years 2013 and 2014. In August 2014, the *Highway and Transportation Funding Act of 2014* (P.L. 113-159) was signed into law, which temporarily extended spending authority for surface transportation programs under MAP 21 through May 2015. As part of that legislation, the Highway Trust Fund (HTF) received a one-time cash infusion to avert insolvency through May 31, 2015, but the HTF will need additional resources to fulfill its funding obligations after this date, as projected HTF obligations exceed anticipated revenues credited to the fund. States are concerned that in the long term, federal and state gas tax revenue will not be able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, and vehicle miles traveled have fallen over time. In addition to raising gas tax rates, other possible policy options include a shift to other revenue sources such as sales taxes, implementing a vehicle-miles traveled tax, increasing the use of toll roads and public-private partnerships.

## Fund Shares

The figure below provides fund shares for fiscal 2013.

**FIGURE 16**  
**STATE EXPENDITURES FOR TRANSPORTATION BY FUND SOURCE, FISCAL 2013**





## Regional Expenditures

Table 37 shows percentage changes in transportation expenditures by region between fiscal 2012 and fiscal 2013 and between fiscal 2013 and estimated fiscal 2014.

**TABLE 37**  
**REGIONAL PERCENTAGE CHANGE IN STATE TRANSPORTATION EXPENDITURES,**  
**FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	4.9 %	-7.5 %	-0.4 %	4.3 %	-8.8 %	4.4 %
Mid-Atlantic	3.4	8.8	4.5	9.4	3.6	6.5
Great Lakes	1.3	3.5	1.7	0.6	-14.2	-3.4
Plains	5.5	-10.8	1.6	20.3	-6.3	12.3
Southeast	-8.2	12.7	-0.1	25.2	-13.3	9.1
Southwest	21.0	-5.6	9.1	10.4	8.1	4.2
Rocky Mountain	37.7	1.3	22.4	-18.1	2.3	-11.0
Far West	-2.3	-17.0	0.1	1.2	28.3	0.6
<b>ALL STATES</b>	<b>2.0 %</b>	<b>0.6 %</b>	<b>2.7 %</b>	<b>10.2 %</b>	<b>-1.4 %</b>	<b>4.2 %</b>

## Transportation—Expenditure Exclusions

Thirty-seven states wholly or partially exclude state police and highway patrols from the transportation expenditures contained within the report. Additionally, 38 states wholly or partially exclude port authority operations, 21 states exclude truck enforcement regulation programs, 20 states omit motor vehicle licensing, and 13 states exclude gasoline tax and fee collections. For details, see Table 41.

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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$741	\$1,276	\$687	\$2,704	\$0	\$744	\$1,228	\$717	\$2,689	\$0	\$650	\$1,340	\$823	\$2,813
Maine	0	239	435	25	699	0	242	379	5	626	0	221	370	38	629
Massachusetts	1,143	771	652	1,045	3,611	1,192	698	853	1,031	3,774	1,515	547	623	1,342	4,027
New Hampshire	0	152	349	0	501	1	170	333	0	504	1	215	286	0	502
Rhode Island	0	292	87	133	512	0	272	136	90	498	0	260	171	41	472
Vermont	0	415	225	1	641	4	287	245	6	542	0	307	255	9	571
<b>MID-ATLANTIC</b>															
Delaware	0	209	585	0	794	0	216	580	0	796	0	200	543	0	743
Maryland	0	921	2,535	0	3,456	0	852	2,764	0	3,616	0	865	3,406	0	4,271
New Jersey	1,344	1,325	570	1,229	4,468	1,091	1,737	986	1,264	5,078	1,428	1,614	1,141	1,225	5,408
New York	99	1,500	5,762	969	8,330	99	1,497	5,956	908	8,460	119	1,722	6,188	920	8,949
Pennsylvania	16	1,858	4,129	250	6,253	17	2,020	4,056	295	6,388	8	2,146	4,185	220	6,559
<b>GREAT LAKES</b>															
Illinois	21	136	4,308	1,170	5,635	21	137	4,181	1,147	5,486	21	103	4,076	1,331	5,531
Indiana	41	1,048	1,369	0	2,458	41	1,000	1,288	0	2,329	241	711	663	0	1,615
Michigan*	0	1,273	1,889	83	3,245	11	1,430	2,100	169	3,710	337	1,199	2,084	12	3,632
Ohio	10	1,611	1,091	269	2,981	9	1,637	1,126	188	2,960	13	1,527	1,354	210	3,104
Wisconsin	26	811	2,006	0	2,843	140	847	1,982	0	2,969	174	792	2,004	0	2,970
<b>PLAINS</b>															
Iowa	0	602	786	0	1,388	0	485	835	2	1,322	0	442	702	5	1,149
Kansas	16	464	575	208	1,263	16	414	393	181	1,004	16	365	1,285	176	1,842
Minnesota	62	346	2,137	259	2,804	63	360	2,759	363	3,545	135	527	3,134	307	4,103
Missouri	9	163	2,249	0	2,421	9	143	2,008	0	2,160	14	100	1,883	0	1,997
Nebraska	0	303	436	0	739	0	364	427	0	791	4	256	545	0	805
North Dakota	2	533	452	0	987	96	353	469	0	918	624	278	233	0	1,135
South Dakota	4	380	209	0	593	0	371	243	0	614	9	366	218	0	593
<b>SOUTHEAST</b>															
Alabama	0	855	612	0	1,467	0	912	654	38	1,604	0	749	574	130	1,453
Arkansas	3	576	534	81	1,194	2	563	607	81	1,253	2	538	746	98	1,384
Florida	0	2,071	4,701	164	6,936	4	2,105	4,578	267	6,954	0	2,349	6,642	430	9,421
Georgia*	713	1,291	141	6	2,151	826	1,504	77	0	2,407	863	1,211	7	3	2,084
Kentucky	5	827	1,456	0	2,288	5	769	1,741	0	2,515	6	712	2,026	0	2,744
Louisiana	0	951	839	127	1,917	0	864	660	169	1,693	0	697	620	135	1,452
Mississippi	0	678	659	42	1,379	0	616	602	27	1,245	0	530	570	19	1,119
North Carolina	0	1,266	3,126	231	4,623	0	1,331	3,189	78	4,598	0	1,468	3,134	77	4,679
South Carolina	3	866	588	0	1,457	1	635	561	0	1,197	60	644	720	0	1,424
Tennessee*	0	1,041	912	0	1,953	0	984	881	0	1,865	0	965	772	81	1,818
Virginia	136	1,151	3,601	28	4,916	41	2,817	2,175	8	5,041	42	1,364	4,103	4	5,513
West Virginia	6	475	793	0	1,274	5	477	675	0	1,157	12	542	743	0	1,297
<b>SOUTHWEST</b>															
Arizona	0	805	641	163	1,609	0	730	645	202	1,577	0	726	651	209	1,586
New Mexico	0	419	419	0	838	0	403	432	0	835	0	407	457	0	864
Oklahoma	0	924	477	110	1,511	0	784	617	116	1,517	0	695	645	5	1,345
Texas	71	2,853	3,199	1,161	7,284	81	2,804	4,041	1,411	8,337	160	3,274	4,509	1,049	8,992
<b>ROCKY MOUNTAIN</b>															
Colorado*	1	616	926	0	1,543	1	722	1,739	0	2,462	0	757	958	0	1,715
Idaho	0	294	386	0	680	0	270	372	0	642	0	300	471	0	771
Montana	8	457	286	0	751	7	391	269	0	667	8	430	268	0	706
Utah	3	460	619	0	1,082	1	398	919	0	1,318	2	202	851	0	1,055
Wyoming	92	114	369	0	575	134	185	261	0	580	161	323	314	0	798
<b>FAR WEST</b>															
Alaska	684	869	423	0	1,976	906	695	387	321	2,309	487	799	465	0	1,751
California	83	4,859	5,051	2,595	12,588	83	3,869	4,606	4,133	12,691	81	5,469	5,240	2,706	13,496
Hawaii*	0	211	848	90	1,149	0	199	858	90	1,147	0	226	861	104	1,191
Nevada	0	467	458	0	925	0	351	310	0	661	0	325	220	0	545
Oregon	1	62	1,676	69	1,808	1	52	1,471	54	1,578	3	47	1,721	27	1,798
Washington	1	608	1,157	1,175	2,941	1	710	1,516	793	3,020	1	672	1,179	896	2,748
<b>TOTAL</b>	<b>\$4,603</b>	<b>\$42,159</b>	<b>\$69,009</b>	<b>\$12,370</b>	<b>\$128,141</b>	<b>\$4,909</b>	<b>\$42,416</b>	<b>\$70,170</b>	<b>\$14,154</b>	<b>\$131,649</b>	<b>\$6,547</b>	<b>\$41,834</b>	<b>\$76,156</b>	<b>\$12,632</b>	<b>\$137,169</b>

\*See notes at the end of the chapter.

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

Region/State	Fiscal 2012	Fiscal 2013	Fiscal 2014
<b>NEW ENGLAND</b>			
Connecticut	9.8 %	9.7 %	9.6 %
Maine	8.6	8.2	7.8
Massachusetts	6.3	6.6	6.8
New Hampshire	10.1	10.0	9.7
Rhode Island	6.5	6.3	6.0
Vermont	12.8	10.9	10.8
<b>MID-ATLANTIC</b>			
Delaware	8.9	8.7	7.7
Maryland	9.9	10.0	11.1
New Jersey	9.2	10.0	9.9
New York	6.2	6.4	6.5
Pennsylvania	7.4	7.5	7.5
<b>GREAT LAKES</b>			
Illinois	9.4	8.4	7.6
Indiana	9.4	8.3	5.9
Michigan	6.9	7.8	7.1
Ohio	5.1	5.1	5.1
Wisconsin	6.9	6.9	6.6
<b>PLAINS</b>			
Iowa	7.4	6.8	5.7
Kansas	8.8	7.2	12.2
Minnesota	9.3	10.7	11.4
Missouri	10.4	9.4	8.6
Nebraska	7.5	7.8	7.6
North Dakota	16.4	16.1	16.7
South Dakota	16.1	15.0	14.4
<b>SOUTHEAST</b>			
Alabama	6.0	6.5	6.0
Arkansas	5.8	5.8	6.1
Florida	11.0	10.9	12.7
Georgia	5.2	5.7	4.9
Kentucky	8.9	9.8	9.5
Louisiana	7.1	6.2	5.0
Mississippi	7.6	6.7	5.9
North Carolina	9.3	10.7	10.6
South Carolina	6.6	5.4	6.6
Tennessee	6.4	6.1	5.6
Virginia	11.3	11.0	12.1
West Virginia	5.8	5.2	5.4
<b>SOUTHWEST</b>			
Arizona	5.7	5.6	5.4
New Mexico	5.8	5.7	5.3
Oklahoma	7.2	7.1	6.0
Texas	7.8	8.9	8.9
<b>ROCKY MOUNTAIN</b>			
Colorado	5.4	8.5	5.7
Idaho	10.8	9.6	10.5
Montana	12.7	11.0	11.4
Utah	9.2	10.4	7.9
Wyoming	10.0	6.4	10.4
<b>FAR WEST</b>			
Alaska	16.8	19.5	15.1
California	6.3	6.0	5.9
Hawaii	10.0	9.9	9.5
Nevada	12.1	7.4	6.2
Oregon	6.7	6.1	6.3
Washington	8.9	8.9	7.6
<b>ALL STATES</b>	<b>7.7 %</b>	<b>7.8 %</b>	<b>7.7 %</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-3.8 %	0.4 %	-0.6 %	9.1 %	-12.6 %	4.6 %
Maine	-12.9	1.3	-10.4	-2.4	-8.7	0.5
Massachusetts	13.9	-9.5	4.5	4.5	-21.6	6.7
New Hampshire	-4.3	11.8	0.6	-14.1	26.5	-0.4
Rhode Island	56.3	-6.8	-2.7	25.7	-4.4	-5.2
Vermont	10.7	-30.8	-15.4	2.4	7.0	5.4
<b>MID-ATLANTIC</b>						
Delaware	-0.9	3.3	0.3	-6.4	-7.4	-6.7
Maryland	9.0	-7.5	4.6	23.2	1.5	18.1
New Jersey	8.5	31.1	13.7	23.7	-7.1	6.5
New York	3.3	-0.2	1.6	4.2	15.0	5.8
Pennsylvania	-1.7	8.7	2.2	2.9	6.2	2.7
<b>GREAT LAKES</b>						
Illinois	-2.9	0.7	-2.6	-2.5	-24.8	0.8
Indiana	-5.7	-4.6	-5.2	-32.0	-28.9	-30.7
Michigan	11.8	12.3	14.3	14.7	-16.2	-2.1
Ohio	3.1	1.6	-0.7	20.4	-6.7	4.9
Wisconsin	4.4	4.4	4.4	2.6	-6.5	0.0
<b>PLAINS</b>						
Iowa	6.2	-19.4	-4.8	-15.9	-8.9	-13.1
Kansas	-30.8	-10.8	-20.5	218.1	-11.8	83.5
Minnesota	28.3	4.0	26.4	15.8	46.4	15.7
Missouri	-10.7	-12.3	-10.8	-5.9	-30.1	-7.5
Nebraska	-2.1	20.1	7.0	28.6	-29.7	1.8
North Dakota	24.4	-33.8	-7.0	51.7	-21.2	23.6
South Dakota	14.1	-2.4	3.5	-6.6	-1.3	-3.4
<b>SOUTHEAST</b>						
Alabama	6.9	6.7	9.3	-12.2	-17.9	-9.4
Arkansas	13.4	-2.3	4.9	22.8	-4.4	10.5
Florida	-2.5	1.6	0.3	45.0	11.6	35.5
Georgia*	5.7	16.5	11.9	-3.7	-19.5	-13.4
Kentucky	19.5	-7.0	9.9	16.4	-7.4	9.1
Louisiana	-21.3	-9.1	-11.7	-6.1	-19.3	-14.2
Mississippi	-8.6	-9.1	-9.7	-5.3	-14.0	-10.1
North Carolina	2.0	5.1	-0.5	-1.7	10.3	1.8
South Carolina	-4.9	-26.7	-17.8	38.8	1.4	19.0
Tennessee	-3.4	-5.5	-4.5	-12.4	-1.9	-2.5
Virginia	-40.7	144.7	2.5	87.0	-51.6	9.4
West Virginia	-14.9	0.4	-9.2	11.0	13.6	12.1
<b>SOUTHWEST</b>						
Arizona	0.6	-9.3	-2.0	0.9	-0.5	0.6
New Mexico	3.1	-3.8	-0.4	5.8	1.0	3.5
Oklahoma	29.4	-15.2	0.4	4.5	-11.4	-11.3
Texas	26.1	-1.7	14.5	13.3	16.8	7.9
<b>ROCKY MOUNTAIN</b>						
Colorado	87.7	17.2	59.6	-44.9	4.8	-30.3
Idaho	-3.6	-8.2	-5.6	26.6	11.1	20.1
Montana	-6.1	-14.4	-11.2	0.0	10.0	5.8
Utah	47.9	-13.5	21.8	-7.3	-49.2	-20.0
Wyoming	-14.3	62.3	0.9	20.3	74.6	37.6
<b>FAR WEST</b>						
Alaska	16.8	-20.0	16.9	-26.4	15.0	-24.2
California	-8.7	-20.4	0.8	13.5	41.4	6.3
Hawaii	1.2	-5.7	-0.2	0.3	13.6	3.8
Nevada	-32.3	-24.8	-28.5	-29.0	-7.4	-17.5
Oregon	-12.2	-16.1	-12.7	17.1	-9.6	13.9
Washington	31.0	16.8	2.7	-22.2	-5.4	-9.0
<b>ALL STATES</b>	<b>2.0 %</b>	<b>0.6 %</b>	<b>2.7 %</b>	<b>10.2 %</b>	<b>-1.4 %</b>	<b>4.2 %</b>

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
<b>NEW ENGLAND</b>									
Connecticut			X	X	X			X	X
Maine			P		X			X	X
Massachusetts	X	X	X	X					
New Hampshire									
Rhode Island			X		X		X	X	X
Vermont			X						X
<b>MID-ATLANTIC</b>									
Delaware			X						
Maryland									X
New Jersey			X						X
New York	P	P	N/A	X					X
Pennsylvania			P	P					X
<b>GREAT LAKES</b>									
Illinois									
Indiana			X						X
Michigan			X						X
Ohio									
Wisconsin			X						
<b>PLAINS</b>									
Iowa			X						
Kansas			X		X			X	X
Minnesota			X						
Missouri				X			X	X	X
Nebraska			N/A		P				X
North Dakota			X		X				X
South Dakota			X		X			X	X
<b>SOUTHEAST</b>									
Alabama			X		P	X	X	X	X
Arkansas			X			X		X	X
Florida			X	X	X			X	X
Georgia			X	X	X			X	X
Kentucky			X						X
Louisiana			X		P	X		X	X
Mississippi				X		X		X	X
North Carolina			X						
South Carolina			X			X	X		
Tennessee				X	X			X	X
Virginia									
West Virginia			P	X	X	N/A	N/A		X
<b>SOUTHWEST</b>									
Arizona			P				P		
New Mexico			X		X	X	X	X	X
Oklahoma	X		X	P	X			X	X
Texas				P				X	X
<b>ROCKY MOUNTAIN</b>									
Colorado*			X	X	X	X	X	X	X
Idaho					X				X
Montana			X						X
Utah						X	P	P	X
Wyoming									
<b>FAR WEST</b>									
Alaska			X		X	X	X		X
California			X						X
Hawaii*			X		X	X	X	X	X
Nevada			X		X	X		X	X
Oregon			X						X
Washington			X		X				X
<b>ALL STATES</b>	<b>3</b>	<b>2</b>	<b>38</b>	<b>13</b>	<b>21</b>	<b>12</b>	<b>11</b>	<b>20</b>	<b>37</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Transportation Notes

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

**Colorado:** Port authority operations, gasoline tax and fee collections, and motor vehicle licensing are at Dept. of Revenue, not Transportation. State police/highway patrol is funded at the Dept. of Public Safety.

**Georgia:** Estimated federal funds expenditures in FY 2014 reflect amounts as appropriated in the annual appropriations

act. The Georgia State Constitution allows for federal funds to be “continuously appropriated” throughout the fiscal year and additional federal funds are amended into the budget with approval of the Governor’s Office of Planning and Budget as they become available during the fiscal year.

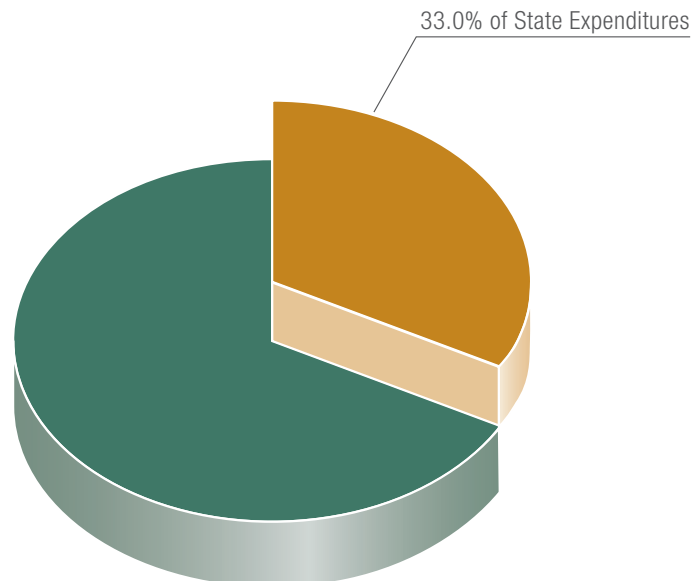
**Michigan:** General fund support mitigates shortfalls in restricted revenue funds needed to match federal transit grants and additional funding for infrastructure projects. Actual ARRA expenditures will be recorded with the fiscal 2014 annual financial report.

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

# 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. “All Other” spending in states includes the Children’s Health Insurance Program (CHIP), institutional and community care for the mentally ill and developmentally disabled, public health programs, employer contributions to pensions and health benefits, economic development, environmental projects, state police, parks and recreation, housing, and general aid to local governments (a list of the items *excluded* from the “All Other” category is displayed in Table 46).

The “All Other” category of expenditures totaled \$557.3 billion for fiscal 2013, or 33.0 percent of total state spending. Total spending in the “All Other” category declined by 1.0 percent in fiscal 2013 and increased by an estimated 3.9 percent in fiscal 2014. In fiscal 2013, state funds (general funds and other state funds combined) increased by 2.6 percent while federal funds declined by 9.5 percent. The large decline in federal funds for the “All Other” category can be traced to a reduction in *American Recovery and Reinvestment Act* (ARRA) funds. States reported \$11.6 billion in “All Other” ARRA spending in fiscal 2012 and \$3.3 billion in fiscal 2013.

## 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 is targeted toward children from families with incomes too high

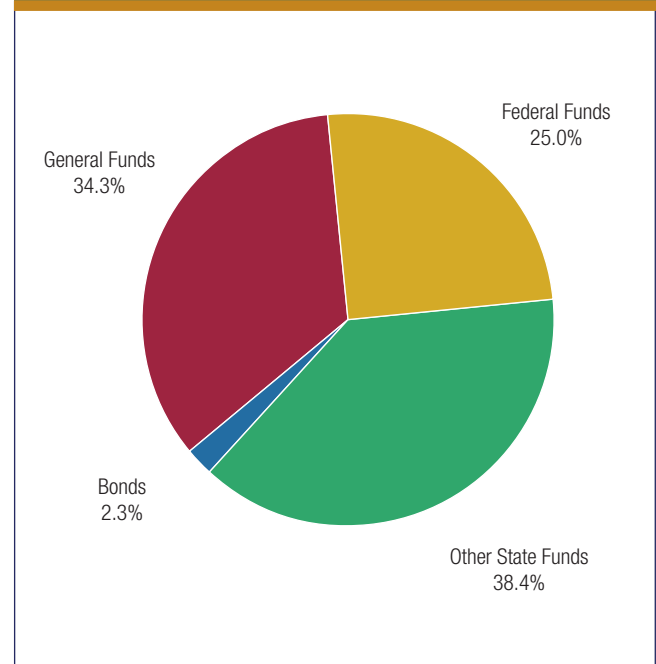
to qualify for Medicaid but too low to afford private insurance. SCHIP’s original ten-year authorization ran through September 30, 2007. Legislation was signed in January 2008 that extended SCHIP until March 2009 at levels that would provide coverage for the current enrollment population. In February 2009, the *Children’s Health Insurance Program Reauthorization Act* (CHIPRA) was signed into law. Along with renaming the program, the reauthorization act expanded children’s coverage and added \$33 billion in federal funds through 2013, financed mostly by increased federal tobacco taxes. In 2010, the *Affordable Care Act* extended CHIP funding until October 1, 2015 and maintained CHIP eligibility standards through 2019.

According to the Centers for Medicare and Medicaid Services (CMS), approximately 8.15 million children were enrolled under CHIP during fiscal 2012. As shown in Appendix Table A-2, total spending for CHIP was \$11.1 billion in fiscal 2012, \$11.3 billion in fiscal 2013, and is estimated at \$11.7 billion in fiscal 2014.

## Fund Shares

The figure below illustrates fund shares for fiscal 2012.

**FIGURE 17**  
**STATE EXPENDITURES FOR ALL OTHER PROGRAMS BY FUND SOURCE, FISCAL 2013**





## Regional Expenditures

The following table shows percentage changes for “All Other” expenditures for fiscal 2012-2013 and 2013-2014 by region.

**TABLE 42**  
**REGIONAL PERCENTAGE CHANGE IN STATE ALL OTHER EXPENDITURES,**  
**FISCAL 2013 AND 2014**

Region	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-0.6 %	-10.2 %	-3.2 %	1.0 %	-9.4 %	-0.4 %
Mid-Atlantic	1.3	3.8	1.1	2.9	-3.7	2.1
Great Lakes	5.0	-0.3	4.1	1.2	6.9	2.6
Plains	2.3	-4.4	-0.3	12.5	-7.4	6.2
Southeast	-0.8	-20.6	-7.1	7.2	1.8	5.0
Southwest	14.9	-17.6	1.1	15.2	-5.4	7.9
Rocky Mountain	10.9	7.1	9.5	5.7	-5.1	2.4
Far West	3.0	-11.7	-2.2	8.5	-9.7	5.9
<b>ALL STATES</b>	<b>2.6 %</b>	<b>-9.5 %</b>	<b>-1.0 %</b>	<b>5.5 %</b>	<b>-3.2 %</b>	<b>3.9 %</b>

TABLE 43

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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$8,414	\$968	\$675	\$1,127	\$11,184	\$8,445	\$1,022	\$814	\$905	\$11,186	\$8,630	\$1,022	\$814	\$1,185	\$11,651
Maine*	942	877	1,544	26	3,389	778	554	1,314	8	2,654	782	478	1,410	19	2,689
Massachusetts	12,471	7,178	8,340	494	28,483	12,943	6,454	8,046	458	27,901	13,599	5,697	7,424	549	27,269
New Hampshire	599	666	496	24	1,785	525	603	581	47	1,756	448	621	699	54	1,822
Rhode Island	949	973	1,052	34	3,008	963	946	949	50	2,908	939	813	872	22	2,646
Vermont	454	496	223	42	1,215	441	446	137	54	1,078	462	455	215	96	1,228
<b>MID-ATLANTIC</b>															
Delaware	1,290	466	2,042	38	3,836	1,250	413	1,900	285	3,848	1,361	426	2,086	268	4,141
Maryland	3,523	1,943	3,403	734	9,603	3,831	1,811	3,466	849	9,957	3,951	1,413	3,743	779	9,886
New Jersey	10,209	2,941	2,454	129	15,733	10,630	3,705	2,244	110	16,689	10,477	4,042	3,001	0	17,520
New York*	20,445	6,486	13,788	1,724	42,443	21,369	7,259	13,040	1,060	42,728	23,867	7,720	11,108	1,331	44,026
Pennsylvania	5,890	6,863	24,888	780	38,421	5,965	6,230	25,408	460	38,063	6,066	5,104	26,060	845	38,075
<b>GREAT LAKES</b>															
Illinois	14,652	5,366	7,560	718	28,296	15,489	5,338	10,108	670	31,605	15,645	6,969	12,022	827	35,463
Indiana	2,093	1,939	1,034	0	5,066	2,365	2,016	1,144	0	5,525	2,304	1,719	1,209	0	5,232
Michigan*	2,747	5,773	5,961	44	14,525	2,658	5,741	5,310	37	13,746	3,359	7,407	4,613	82	15,461
Ohio	4,082	4,302	13,565	1,079	23,028	4,321	4,251	13,131	1,495	23,198	3,932	2,668	12,580	1,494	20,674
Wisconsin	3,253	2,909	11,392	0	17,554	3,285	2,890	11,829	0	18,004	2,282	2,864	12,536	0	17,682
<b>PLAINS</b>															
Iowa	1,241	2,838	1,032	197	5,308	1,363	2,121	1,967	68	5,519	1,325	2,195	2,097	64	5,681
Kansas	792	1,005	1,975	127	3,899	808	926	1,777	171	3,682	727	376	2,242	142	3,487
Minnesota	3,848	2,349	2,564	221	8,982	3,876	3,006	2,236	222	9,340	4,755	2,945	2,721	302	10,723
Missouri	2,040	1,926	1,623	0	5,589	1,985	1,763	1,702	0	5,450	2,101	1,666	1,708	0	5,475
Nebraska	862	937	1,589	0	3,388	847	935	1,635	0	3,417	888	885	1,799	0	3,572
North Dakota	853	634	796	0	2,283	612	500	842	0	1,954	824	538	922	0	2,284
South Dakota	291	348	394	4	1,037	275	341	428	1	1,045	365	275	433	2	1,075
<b>SOUTHEAST</b>															
Alabama*	932	2,489	3,194	324	6,939	845	2,520	3,247	186	6,798	1,202	1,990	2,563	365	6,120
Arkansas	632	1,654	5,111	54	7,451	639	1,543	5,839	122	8,143	619	1,342	6,382	57	8,400
Florida	5,055	9,122	3,162	812	18,151	5,261	8,107	2,346	527	16,241	5,247	7,281	6,646	242	19,416
Georgia*	3,356	3,219	4,549	180	11,304	3,503	3,155	4,262	198	11,118	4,083	2,797	4,087	173	11,140
Kentucky	2,051	1,763	1,252	0	5,066	2,212	1,347	1,256	0	4,815	2,433	2,018	2,100	0	6,551
Louisiana	2,036	3,745	3,916	162	9,859	1,918	3,318	4,355	163	9,754	2,096	4,312	4,597	165	11,170
Mississippi	1,272	1,725	1,448	302	4,747	1,286	1,580	1,357	728	4,951	1,339	2,275	1,582	232	5,428
North Carolina	3,839	3,912	6,800	417	14,968	3,715	1,208	2,239	153	7,315	3,816	1,225	2,245	306	7,592
South Carolina	1,811	3,378	1,815	0	7,004	2,119	2,066	3,005	0	7,190	1,968	745	2,677	0	5,390
Tennessee	2,622	4,162	1,962	174	8,920	2,764	3,956	1,766	104	8,590	3,257	4,107	1,854	26	9,244
Virginia	5,642	1,895	9,458	411	17,406	6,836	537	9,982	332	17,687	5,901	1,948	8,733	295	16,877
West Virginia	860	822	10,291	0	11,973	1,141	754	10,505	0	12,400	1,001	592	11,868	0	13,461
<b>SOUTHWEST</b>															
Arizona	1,171	3,524	2,955	0	7,650	1,397	3,389	2,856	0	7,642	1,388	3,862	2,762	0	8,012
New Mexico	1,268	1,597	1,085	0	3,950	1,298	1,611	1,123	0	4,032	1,407	1,455	2,021	0	4,883
Oklahoma	1,592	1,892	2,162	24	5,670	1,788	1,914	2,168	23	5,893	1,871	2,350	2,007	25	6,253
Texas	6,126	5,258	257	102	11,743	8,057	3,192	400	102	11,751	10,141	1,892	385	79	12,497
<b>ROCKY MOUNTAIN</b>															
Colorado*	1,481	3,373	5,774	0	10,628	1,777	2,840	4,852	0	9,469	2,042	2,622	6,027	0	10,691
Idaho	377	716	399	27	1,519	393	876	463	4	1,736	432	922	577	22	1,953
Montana	527	758	1,173	0	2,458	630	755	1,139	0	2,524	655	773	1,163	0	2,591
Utah	969	1,209	1,381	453	4,012	1,081	1,116	1,701	488	4,386	1,402	1,281	1,668	481	4,832
Wyoming	1,725	869	1,160	0	3,754	2,762	1,831	1,795	0	6,388	2,170	1,438	1,409	0	5,017
<b>FAR WEST</b>															
Alaska	4,005	941	352	0	5,298	3,362	847	415	229	4,853	3,524	798	562	0	4,884
California	18,566	26,780	24,358	2,092	71,796	21,679	22,814	21,253	1,619	67,365	21,128	20,626	26,114	4,804	72,672
Hawaii*	2,787	561	1,804	360	5,512	2,787	494	1,728	378	5,387	3,247	477	1,815	486	6,025
Nevada*	673	801	417	10	1,901	686	988	1,449	21	3,144	682	761	1,388	8	2,839
Oregon	1,545	3,755	9,194	109	14,603	1,426	3,195	8,888	61	13,570	1,921	2,714	9,501	129	14,265
Washington	4,276	4,138	1,901	190	10,505	4,817	4,327	3,483	287	12,914	4,390	4,121	3,806	553	12,870
<b>TOTAL</b>	<b>\$179,136</b>	<b>\$154,241</b>	<b>\$215,720</b>	<b>\$13,745</b>	<b>\$562,842</b>	<b>\$191,203</b>	<b>\$139,551</b>	<b>\$213,880</b>	<b>\$12,675</b>	<b>\$557,309</b>	<b>\$198,451</b>	<b>\$135,022</b>	<b>\$228,853</b>	<b>\$16,509</b>	<b>\$578,835</b>

\*See notes at the end of the chapter.

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

Region/State	Fiscal 2012		Fiscal 2013		Fiscal 2014
<b>NEW ENGLAND</b>					
Connecticut	40.7	%	40.2	%	39.6
Maine	41.8		34.6		33.2
Massachusetts	49.9		48.5		46.2
New Hampshire	35.9		35.0		35.4
Rhode Island	38.0		37.0		33.6
Vermont	24.2		21.7		23.3
<b>MID-ATLANTIC</b>					
Delaware	42.9		42.0		43.1
Maryland	27.5		27.5		25.7
New Jersey	32.3		32.8		32.2
New York	31.8		32.1		32.0
Pennsylvania	45.3		44.6		43.5
<b>GREAT LAKES</b>					
Illinois	47.3		48.4		48.8
Indiana	19.3		19.6		19.2
Michigan	30.7		29.0		30.0
Ohio	39.8		39.8		33.8
Wisconsin	42.5		42.1		39.4
<b>PLAINS</b>					
Iowa	28.1		28.3		28.2
Kansas	27.1		26.4		23.2
Minnesota	29.7		28.2		29.7
Missouri	23.9		23.8		23.6
Nebraska	34.3		33.6		33.9
North Dakota	37.9		34.2		33.6
South Dakota	28.1		25.5		26.2
<b>SOUTHEAST</b>					
Alabama	28.2		27.7		25.1
Arkansas	36.0		38.0		36.9
Florida	28.8		25.4		26.2
Georgia	27.5		26.2		26.4
Kentucky	19.8		18.8		22.7
Louisiana	36.4		35.7		38.3
Mississippi	26.3		26.7		28.7
North Carolina	30.0		17.0		17.2
South Carolina	31.7		32.4		25.1
Tennessee	29.3		28.2		28.6
Virginia	40.1		38.7		37.0
West Virginia	54.7		55.6		56.4
<b>SOUTHWEST</b>					
Arizona	27.2		27.0		27.1
New Mexico	27.5		27.4		30.1
Oklahoma	27.1		27.5		28.0
Texas	12.6		12.6		12.3
<b>ROCKY MOUNTAIN</b>					
Colorado	36.9		32.6		35.3
Idaho	24.2		25.9		26.5
Montana	41.5		41.8		41.9
Utah	33.9		34.6		36.1
Wyoming	65.3		70.0		65.6
<b>FAR WEST</b>					
Alaska	44.9		41.0		42.1
California	36.0		31.9		31.6
Hawaii	48.0		46.5		47.9
Nevada	24.9		35.3		32.5
Oregon	54.1		52.6		50.2
Washington	31.7		38.0		35.8
<b>ALL STATES</b>	<b>34.0</b>	<b>%</b>	<b>33.0</b>	<b>%</b>	<b>32.4</b>

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

Region/State	Fiscal 2012 to 2013			Fiscal 2013 to 2014		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	1.9 %	5.6 %	0.0 %	2.0 %	0.0 %	4.2 %
Maine	-15.8	-36.8	-21.7	4.8	-13.7	1.3
Massachusetts	0.9	-10.1	-2.0	0.2	-11.7	-2.3
New Hampshire	1.0	-9.5	-1.6	3.7	3.0	3.8
Rhode Island	-4.4	-2.8	-3.3	-5.3	-14.1	-9.0
Vermont	-14.6	-10.1	-11.3	17.1	2.0	13.9
<b>MID-ATLANTIC</b>						
Delaware	-5.5	-11.4	0.3	9.4	3.1	7.6
Maryland	5.4	-6.8	3.7	5.4	-22.0	-0.7
New Jersey	1.7	26.0	6.1	4.7	9.1	5.0
New York	0.5	11.9	0.7	1.6	6.4	3.0
Pennsylvania	1.9	-9.2	-0.9	2.4	-18.1	0.0
<b>GREAT LAKES</b>						
Illinois	15.2	-0.5	11.7	8.1	30.6	12.2
Indiana	12.2	4.0	9.1	0.1	-14.7	-5.3
Michigan	-8.5	-0.6	-5.4	0.1	29.0	12.5
Ohio	-1.1	-1.2	0.7	-5.4	-37.2	-10.9
Wisconsin	3.2	-0.7	2.6	-2.0	-0.9	-1.8
<b>PLAINS</b>						
Iowa	46.5	-25.3	4.0	2.8	3.5	2.9
Kansas	-6.6	-7.9	-5.6	14.9	-59.4	-5.3
Minnesota	-4.7	28.0	4.0	22.3	-2.0	14.8
Missouri	0.7	-8.5	-2.5	3.3	-5.5	0.5
Nebraska	1.3	-0.2	0.9	8.3	-5.3	4.5
North Dakota	-11.8	-21.1	-14.4	20.1	7.6	16.9
South Dakota	2.6	-2.0	0.8	13.5	-19.4	2.9
<b>SOUTHEAST</b>						
Alabama	-0.8	1.2	-2.0	-8.0	-21.0	-10.0
Arkansas	12.8	-6.7	9.3	8.1	-13.0	3.2
Florida	-7.4	-11.1	-10.5	56.3	-10.2	19.5
Georgia*	-1.8	-2.0	-1.6	5.2	-11.3	0.2
Kentucky	5.0	-23.6	-5.0	30.7	49.8	36.1
Louisiana	5.4	-11.4	-1.1	6.7	30.0	14.5
Mississippi	-2.8	-8.4	4.3	10.5	44.0	9.6
North Carolina	-44.0	-69.1	-51.1	1.8	1.4	3.8
South Carolina	41.3	-38.8	2.7	-9.3	-63.9	-25.0
Tennessee	-1.2	-4.9	-3.7	12.8	3.8	7.6
Virginia	11.4	-71.7	1.6	-13.0	262.8	-4.6
West Virginia	4.4	-8.3	3.6	10.5	-21.5	8.6
<b>SOUTHWEST</b>						
Arizona	3.1	-3.8	-0.1	-2.4	14.0	4.8
New Mexico	2.9	0.9	2.1	41.6	-9.7	21.1
Oklahoma	5.4	1.2	3.9	-2.0	22.8	6.1
Texas	32.5	-39.3	0.1	24.5	-40.7	6.3
<b>ROCKY MOUNTAIN</b>						
Colorado	-8.6	-15.8	-10.9	21.7	-7.7	12.9
Idaho	10.3	22.3	14.3	17.9	5.3	12.5
Montana	4.1	-0.4	2.7	2.8	2.4	2.7
Utah	18.4	-7.7	9.3	10.4	14.8	10.2
Wyoming	58.0	110.7	70.2	-21.5	-21.5	-21.5
<b>FAR WEST</b>						
Alaska	-13.3	-10.0	-8.4	8.2	-5.8	0.6
California	0.0	-14.8	-6.2	10.0	-9.6	7.9
Hawaii	-1.7	-11.9	-2.3	12.1	-3.4	11.8
Nevada	95.9	23.3	65.4	-3.0	-23.0	-9.7
Oregon	-4.0	-14.9	-7.1	10.7	-15.1	5.1
Washington	34.4	4.6	22.9	-1.3	-4.8	-0.3
<b>ALL STATES</b>	<b>2.6 %</b>	<b>-9.5 %</b>	<b>-1.0 %</b>	<b>5.5 %</b>	<b>-3.2 %</b>	<b>3.9 %</b>

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
<b>NEW ENGLAND</b>										
Connecticut										
Maine										
Massachusetts										
New Hampshire										
Rhode Island									X	
Vermont				P	P	X				
<b>MID-ATLANTIC</b>										
Delaware										
Maryland										
New Jersey										
New York*	P	P								
Pennsylvania										
<b>GREAT LAKES</b>										
Illinois										
Indiana										
Michigan*				P	P	P				
Ohio										
Wisconsin										
<b>PLAINS</b>										
Iowa									X	
Kansas							N/A		N/A	
Minnesota										
Missouri									X	
Nebraska									X	
North Dakota										
South Dakota										X
<b>SOUTHEAST</b>										
Alabama									P	P
Arkansas										
Florida	X									
Georgia										
Kentucky										
Louisiana			X	X	X	X				
Mississippi									X	
North Carolina										
South Carolina										
Tennessee										X
Virginia										
West Virginia										
<b>SOUTHWEST</b>										
Arizona										
New Mexico										
Oklahoma									P	P
Texas				X	P					
<b>ROCKY MOUNTAIN</b>										
Colorado*										
Idaho									X	X
Montana										
Utah										
Wyoming										
<b>FAR WEST</b>										
Alaska										
California										
Hawaii*	P	P								
Nevada*			P							X
Oregon										
Washington				P						X
<b>ALL STATES</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>7</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## All Other Expenditure Notes

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

**Alabama:** All Other State Expenditures for estimated fiscal 2014 includes a \$260 million repayment to the Rainy Day Account.

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

**Georgia:** Estimated federal funds expenditures in FY 2014 reflect amounts as appropriated in the annual appropriations act. The Georgia State Constitution allows for federal funds to be “continuously appropriated” throughout the fiscal year and additional federal funds are amended into the budget with approval of the Governor’s Office of Planning and Budget as they become available during the fiscal year. Capital expenditures for debt service are included under All Other State expenditures.

**Maine:** Prizes paid to lottery winners were excluded as follows: fiscal 2012 \$144.0 million; fiscal 2013 \$143.9 million; fiscal 2014 \$144.9 million.

**Michigan:** Public health and community and institutional care for mentally and developmentally disabled persons are partially reported in the Medicaid totals. Actual ARRA expenditures will be recorded with the fiscal 2014 annual financial report.

**Nevada:** CHIP medical expenditures are included in Medicaid totals. Starting in 2014, CHIP staff is included in All Other Expenditures. Before 2014, CHIP staff was included in Medicaid totals as well.

**New York:** New York budgets most employer contributions to employees’ benefits and pensions centrally. The portion of employer contributions to employees’ benefits not distributed to an expenditure category has been included in the All Other Expenditures category.

# 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. Given the long-term nature of capital projects, states often find it difficult to report capital expenditures for one specific fiscal year. This is because the amount of money appropriated when a project initially is undertaken usually will not be the amount spent in a single year. For greater detail on states' capital spending practices, see NASBO's recently updated report *Capital Budgeting in the States*, available at [www.nasbo.org](http://www.nasbo.org) in the publications and data section. 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 includes capital expenditures for higher education, corrections, transportation, environmental projects, housing, and "all other". Due to differences in states' reporting capabilities, or expenditures for items not easily classified, capital expenditures not included in these categories are included in the "All Other" category. Tables 47-53 display capital expenditure data.

## Total Capital Expenditures

Because the nature of capital spending includes long construction timetables and unforeseen or delayed project costs, state spending on capital projects has historically fluctuated from year-to-year. States increased capital spending by 2.6 percent in fiscal 2012, decreased spending by 0.4 percent in fiscal 2013 and increased it by an estimated 4.2 percent in fiscal 2014. Overall, state capital spending totaled \$88.7 billion in fiscal 2012, \$88.3 billion in fiscal 2013, and is estimated to total \$92.0 billion in fiscal 2014.

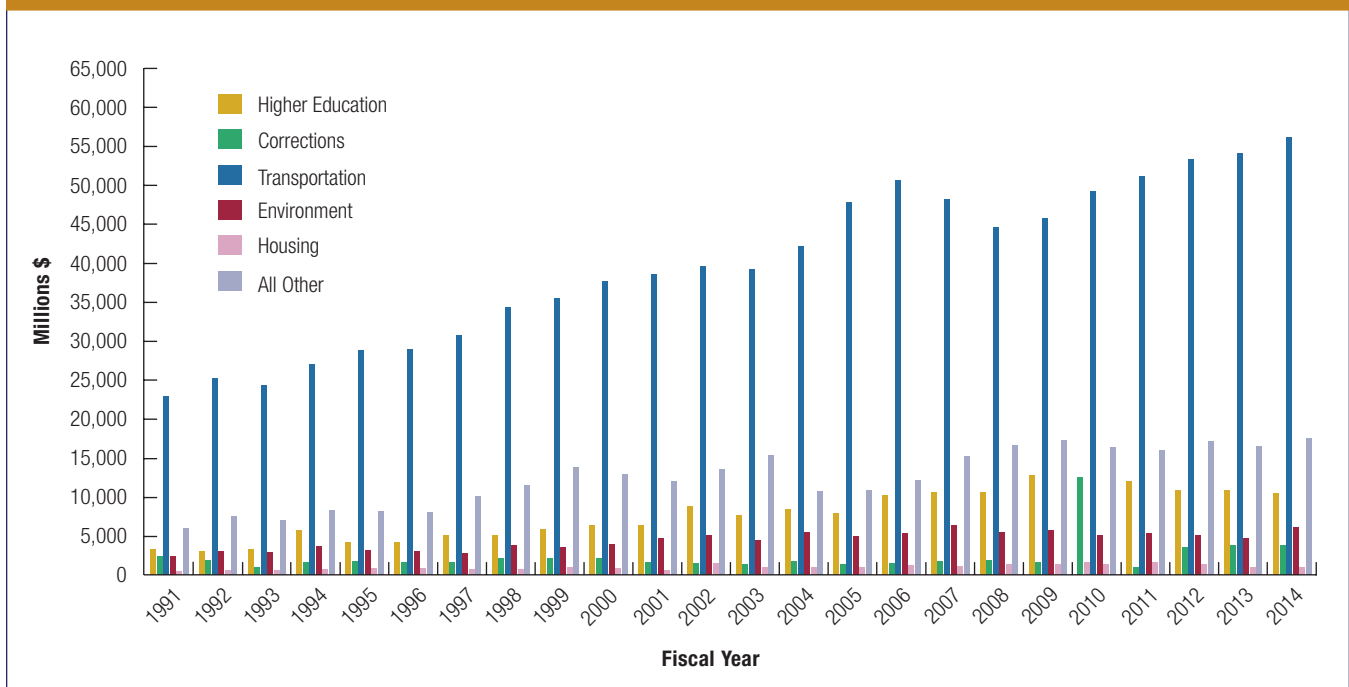
## Capital Fund Sources

State spending on capital projects traditionally has come from non-general fund sources. Other state funds such as dedicated fees and fund surpluses (33.4 percent in fiscal 2013) and bonds (31.2 percent) combine to account for 64.6 percent of total state spending on capital projects. In recent years, bonds have represented a greater share of total capital spending than other state funds. The slight shift is partly due to below average debt issuance in the majority of states. Federal funds (29.4 percent) and state general funds (6.0 percent) also contribute to capital spending.

## Capital Funds by Use

Comprising 61.2 percent (\$54.0 billion) of all capital expendi-

**FIGURE 18:**  
**CAPITAL EXPENDITURES BY TYPE, FISCAL 1991 TO 2014**





tures in fiscal 2013, **transportation** is the largest category of state capital expenditures. Capital spending for transportation increased by 1.7 percent in fiscal 2013, and is expected to increase by 3.7 percent in fiscal 2014.

**Higher education** capital expenditures declined by 0.9 percent in fiscal 2013, totaling \$8.4 billion, and accounting for 9.6 percent of total state capital outlays. In fiscal 2014, higher education capital spending is estimated to decrease by 4.9 percent.

State capital spending for **environmental** purposes in fiscal 2013 totaled \$4.8 billion, 5.4 percent of total capital spending and a 6.3 percent decrease from fiscal 2012. Environmental capital expenditures are estimated to increase 25.3 percent in fiscal 2014, mostly driven by a large spending increase in California.

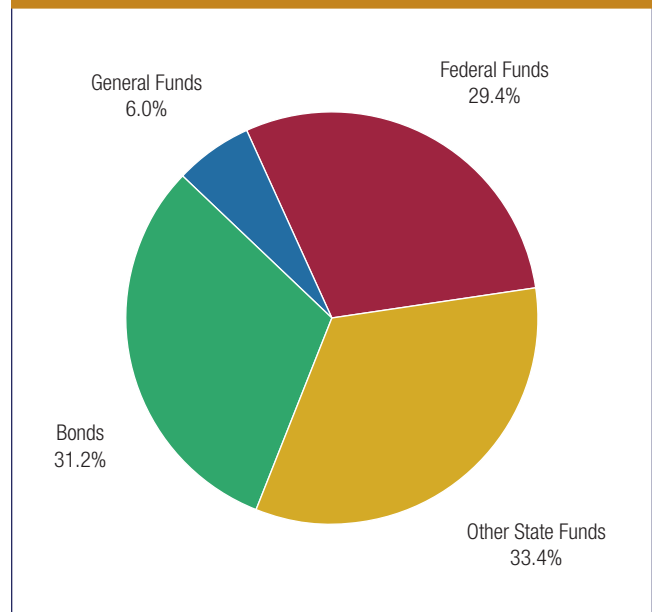
**Housing** capital expenditures account for just 1.2 percent of total fiscal 2013 capital spending, at approximately \$1.1 billion. Housing capital spending decreased by 11.0 percent in fiscal 2013, and is estimated to decrease by 20.7 percent in fiscal 2013, falling to \$0.9 billion.

**Corrections** capital spending experienced a decline of 2.6 percent in fiscal 2013, totaling \$3.5 billion. Corrections accounted for 4.0 percent of total state capital expenditures. Fiscal 2014 estimates indicate spending of \$3.7 billion, a 5.6 percent increase.

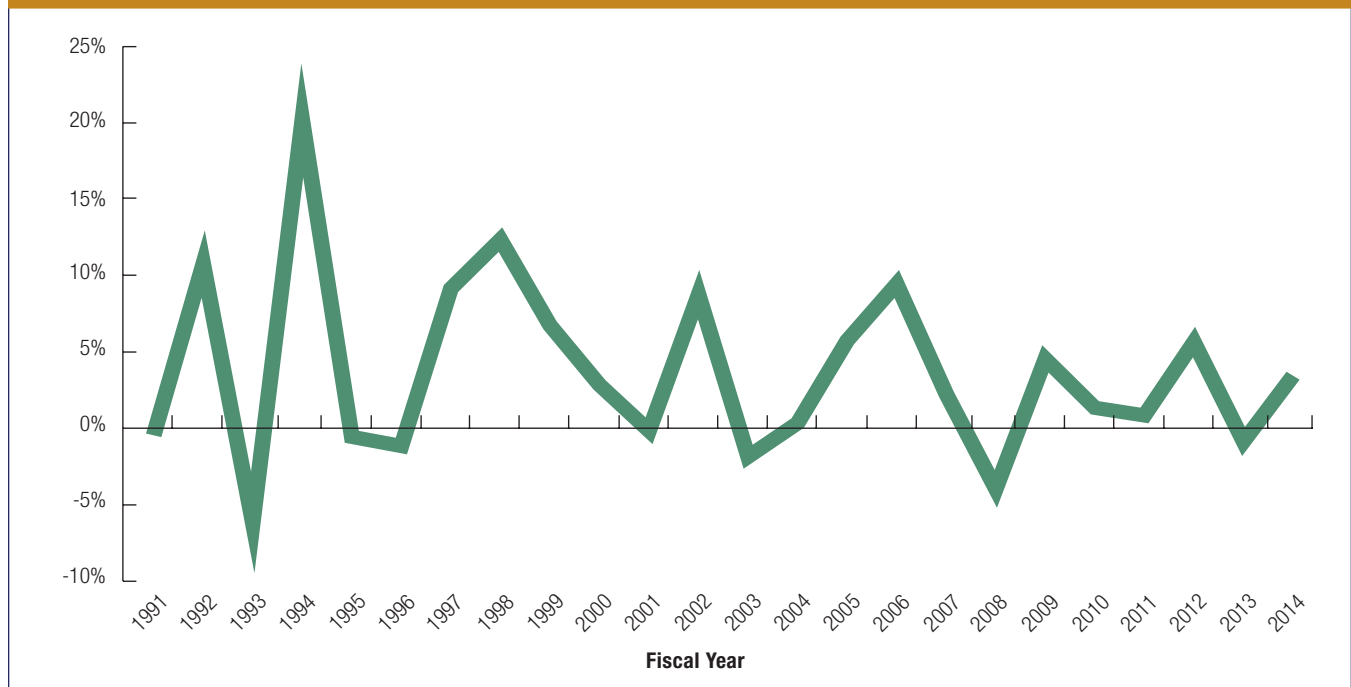
State spending for **“all other”** purposes totaled \$16.5 billion in fiscal 2013, or 18.6 percent of total capital spending. This includes capital expenditures not easily classified into one of the

other categories. Examples of expenditures in the “all other” category may include items such as public school facilities, zoo improvements, health care infrastructure, or sports facilities. In fiscal 2014, “all other” capital spending is estimated to increase by 5.5 percent to \$17.4 billion.

**FIGURE 20**  
TOTAL CAPITAL EXPENDITURES BY FUNDING SOURCE,  
FISCAL 2013



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



**TABLE 47**  
**TOTAL CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$524	\$29	\$2,612	<b>\$3,165</b>	\$0	\$509	\$36	\$2,501	<b>\$3,046</b>	\$0	\$433	\$26	\$2,962	<b>\$3,421</b>
Maine	0	171	130	26	<b>327</b>	1	176	131	8	<b>316</b>	5	147	90	35	<b>277</b>
Massachusetts	0	671	26	2,167	<b>2,864</b>	0	476	17	2,106	<b>2,599</b>	0	464	3	2,544	<b>3,011</b>
New Hampshire	0	16	128	80	<b>224</b>	0	18	145	87	<b>250</b>	0	10	195	73	<b>278</b>
Rhode Island	3	179	58	198	<b>438</b>	3	131	67	157	<b>358</b>	2	176	68	79	<b>325</b>
Vermont	0	270	40	56	<b>366</b>	1	239	36	73	<b>349</b>	3	342	46	116	<b>507</b>
<b>MID-ATLANTIC</b>															
Delaware	0	209	227	185	<b>621</b>	0	212	215	225	<b>652</b>	0	200	178	271	<b>649</b>
Maryland	48	987	1,244	957	<b>3,236</b>	1	930	1,245	1,135	<b>3,311</b>	32	855	1,595	1,111	<b>3,593</b>
New Jersey*	1,280	1,383	121	1,358	<b>4,142</b>	1,315	1,781	314	1,374	<b>4,784</b>	1,423	1,601	34	1,225	<b>4,283</b>
New York	0	1,824	2,151	3,861	<b>7,836</b>	0	1,860	2,422	3,258	<b>7,540</b>	0	2,027	2,284	3,440	<b>7,751</b>
Pennsylvania	0	0	0	1,379	<b>1,379</b>	0	0	0	800	<b>800</b>	0	0	0	1,265	<b>1,265</b>
<b>GREAT LAKES</b>															
Illinois	0	124	2,608	2,122	<b>4,854</b>	0	123	2,411	1,954	<b>4,488</b>	0	90	2,260	2,382	<b>4,732</b>
Indiana	158	0	51	0	<b>209</b>	151	0	50	0	<b>201</b>	269	0	55	0	<b>324</b>
Michigan*	241	1,599	765	251	<b>2,857</b>	247	1,549	720	311	<b>2,827</b>	255	1,177	341	235	<b>2,008</b>
Ohio	0	1,392	569	1,280	<b>3,241</b>	0	1,407	585	1,015	<b>3,007</b>	0	1,303	897	947	<b>3,148</b>
Wisconsin	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>
<b>PLAINS</b>															
Iowa	0	468	302	177	<b>947</b>	0	396	520	42	<b>958</b>	29	423	353	10	<b>815</b>
Kansas	47	533	558	162	<b>1,300</b>	34	428	142	168	<b>772</b>	39	375	992	172	<b>1,578</b>
Minnesota	4	37	649	609	<b>1,299</b>	10	22	996	810	<b>1,838</b>	4	78	1,069	780	<b>1,931</b>
Missouri	88	11	33	0	<b>132</b>	70	11	27	0	<b>108</b>	21	19	45	0	<b>85</b>
Nebraska	15	329	379	0	<b>723</b>	15	400	425	0	<b>840</b>	19	279	537	0	<b>834</b>
North Dakota	84	474	359	11	<b>928</b>	157	293	293	6	<b>749</b>	542	244	162	17	<b>965</b>
South Dakota	11	7	65	35	<b>118</b>	15	24	44	35	<b>118</b>	3	38	62	21	<b>124</b>
<b>SOUTHEAST</b>															
Alabama*	7	436	289	323	<b>1,055</b>	3	399	283	223	<b>908</b>	3	418	177	495	<b>1,093</b>
Arkansas*	0	306	361	54	<b>721</b>	1	269	375	98	<b>743</b>	0	274	406	41	<b>721</b>
Florida	161	2,363	5,246	1,395	<b>9,165</b>	145	2,395	5,701	869	<b>9,110</b>	208	2,611	7,982	689	<b>11,490</b>
Georgia*	340	866	23	632	<b>1,861</b>	279	1,048	28	808	<b>2,163</b>	310	1,103	101	850	<b>2,364</b>
Kentucky	0	0	876	0	<b>876</b>	0	0	697	0	<b>697</b>	0	0	583	0	<b>583</b>
Louisiana	125	871	698	320	<b>2,015</b>	54	720	721	378	<b>1,873</b>	28	571	589	373	<b>1,561</b>
Mississippi	36	496	422	354	<b>1,308</b>	30	430	422	784	<b>1,666</b>	31	289	365	257	<b>942</b>
North Carolina	6	1,169	1,310	652	<b>3,137</b>	28	1,198	1,496	231	<b>2,953</b>	14	1,313	1,473	326	<b>3,126</b>
South Carolina*	29	25	159	123	<b>336</b>	0	18	164	0	<b>182</b>	0	0	0	0	<b>0</b>
Tennessee*	83	1,057	455	254	<b>1,849</b>	150	1,004	516	301	<b>1,971</b>	165	968	426	266	<b>1,825</b>
Virginia	3	21	165	1,067	<b>1,255</b>	3	14	117	900	<b>1,034</b>	4	5	93	650	<b>752</b>
West Virginia	35	573	964	50	<b>1,622</b>	20	552	880	54	<b>1,506</b>	53	593	943	55	<b>1,644</b>
<b>SOUTHWEST</b>															
Arizona	0	731	139	161	<b>1,030</b>	23	672	64	200	<b>958</b>	2	664	438	209	<b>1,312</b>
New Mexico	0	0	0	266	<b>266</b>	0	410	111	366	<b>887</b>	0	0	0	396	<b>396</b>
Oklahoma	4	1,074	644	146	<b>1,868</b>	5	863	614	144	<b>1,626</b>	4	786	576	135	<b>1,501</b>
Texas*	215	304	2,671	53	<b>3,243</b>	155	339	2,859	145	<b>3,498</b>	184	302	2,918	12	<b>3,416</b>
<b>ROCKY MOUNTAIN</b>															
Colorado	104	0	409	0	<b>513</b>	111	0	172	0	<b>283</b>	291	0	220	0	<b>511</b>
Idaho	13	263	87	33	<b>396</b>	12	243	96	10	<b>360</b>	9	266	206	28	<b>508</b>
Montana	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>
Utah	60	434	480	453	<b>1,427</b>	117	373	1,003	488	<b>1,981</b>	203	166	1,248	481	<b>2,098</b>
Wyoming	89	51	153	0	<b>293</b>	62	72	101	0	<b>235</b>	66	80	112	0	<b>258</b>
<b>FAR WEST</b>															
Alaska	1,661	1,096	158	50	<b>2,965</b>	2,072	901	160	550	<b>3,683</b>	1,310	929	256	0	<b>2,495</b>
California	27	2,344	662	1,590	<b>4,623</b>	34	1,648	441	2,391	<b>4,515</b>	111	2,730	576	2,783	<b>6,200</b>
Hawaii*	0	203	273	766	<b>1,242</b>	0	193	247	735	<b>1,175</b>	0	221	242	825	<b>1,288</b>
Nevada	0	472	270	29	<b>771</b>	0	373	122	41	<b>536</b>	5	321	107	19	<b>452</b>
Oregon	0	24	30	329	<b>383</b>	0	16	33	132	<b>181</b>	0	20	29	158	<b>207</b>
Washington	0	726	803	1,711	<b>3,240</b>	0	825	1,219	1,632	<b>3,676</b>	0	767	902	1,683	<b>3,352</b>
<b>TOTAL*</b>	<b>\$4,976</b>	<b>\$27,113</b>	<b>\$28,240</b>	<b>\$28,336</b>	<b>\$88,666</b>	<b>\$5,324</b>	<b>\$25,959</b>	<b>\$29,482</b>	<b>\$27,546</b>	<b>\$88,311</b>	<b>\$5,646</b>	<b>\$25,677</b>	<b>\$32,259</b>	<b>\$28,416</b>	<b>\$91,998</b>

\*See notes at the end of the chapter.

**TABLE 48**  
**HIGHER EDUCATION CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$317	\$317	\$0	\$0	\$0	\$311	\$311	\$0	\$0	\$0	\$322	\$322
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	267	267	0	0	0	250	250	0	0	0	197	197
New Hampshire	0	0	0	47	47	0	0	0	24	24	0	0	0	15	15
Rhode Island	3	20	26	31	80	2	0	32	16	50	2	0	41	14	57
Vermont	0	0	0	4	4	0	0	0	4	4	0	0	0	3	3
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	9	9	0	0	0	12	12	0	0	0	11	11
Maryland	0	0	27	206	233	0	0	32	278	310	0	0	32	302	334
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	135	911	1,046	0	0	186	1,082	1,268	0	0	166	941	1,107
Pennsylvania	0	0	0	212	212	0	0	0	45	45	0	0	0	200	200
<b>GREAT LAKES</b>															
Illinois	0	0	0	227	227	0	0	0	118	118	0	0	0	210	210
Indiana	0	0	0	0	0	0	0	0	0	0	136	0	0	0	136
Michigan*	135	0	0	146	281	138	0	0	120	258	148	0	0	141	289
Ohio	0	0	0	167	167	0	0	0	165	165	0	0	0	208	208
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	6	10	16	0	0	41	0	41	15	0	44	0	59
Kansas	1	22	79	22	124	1	2	110	32	145	1	0	102	33	136
Minnesota	0	0	0	114	114	0	0	0	216	216	0	0	0	149	149
Missouri	0	0	2	0	2	0	0	1	0	1	0	0	0	0	0
Nebraska	12	4	129	0	145	13	13	173	0	199	15	4	203	0	222
North Dakota	37	0	33	11	81	49	0	13	6	68	50	0	21	17	88
South Dakota	0	0	24	31	55	0	0	13	34	47	0	0	20	19	39
<b>SOUTHEAST</b>															
Alabama*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	16	0	16	0	0	13	0	13	0	0	36	0	36
Florida	23	0	84	339	446	10	0	233	56	299	4	0	230	17	251
Georgia	0	0	0	188	188	0	0	0	431	431	0	0	0	407	407
Kentucky	0	0	329	0	329	0	0	210	0	210	0	0	285	0	285
Louisiana	46	43	99	30	218	15	1	281	43	340	5	2	260	68	335
Mississippi	26	3	122	9	160	25	3	72	29	129	24	3	75	7	109
North Carolina	0	0	0	4	4	4	0	0	0	4	3	0	0	0	3
South Carolina	12	11	144	123	290	0	0	123	0	123	0	0	0	0	0
Tennessee	20	0	0	80	100	84	0	61	197	342	116	0	35	159	310
Virginia	0	1	78	794	873	0	0	70	765	835	0	0	65	535	600
West Virginia	0	0	585	50	635	0	0	621	54	675	0	0	621	55	676
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2
New Mexico	0	0	0	129	129	0	0	0	136	136	0	0	0	150	150
Oklahoma	0	9	324	12	345	0	8	240	5	253	0	0	75	125	200
Texas*	0	65	8	0	73	0	51	5	0	56	0	37	5	0	42
<b>ROCKY MOUNTAIN</b>															
Colorado	11	0	177	0	188	13	0	33	0	46	44	0	23	0	67
Idaho	11	0	7	6	24	10	0	10	6	26	8	0	28	6	42
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	1	0	0	0	1	9	0	0	0	9	7	0	0	0	7
<b>FAR WEST</b>															
Alaska	80	30	0	50	160	197	0	2	0	199	126	0	1	0	127
California	0	0	0	199	199	0	0	0	89	89	0	0	0	113	113
Hawaii	0	0	0	316	316	0	0	-4	267	263	0	0	0	235	235
Nevada	0	0	3	15	18	0	0	4	8	12	0	0	3	7	10
Oregon	0	0	0	136	136	0	0	0	0	0	0	0	0	0	0
Washington	0	0	124	126	250	0	0	168	255	423	0	0	147	91	238
<b>TOTAL</b>	<b>\$418</b>	<b>\$208</b>	<b>\$2,561</b>	<b>\$5,338</b>	<b>\$8,525</b>	<b>\$570</b>	<b>\$78</b>	<b>\$2,743</b>	<b>\$5,054</b>	<b>\$8,445</b>	<b>\$706</b>	<b>\$46</b>	<b>\$2,518</b>	<b>\$4,757</b>	<b>\$8,027</b>

\*See notes at the end of the chapter.

**TABLE 49**  
**CORRECTIONS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$19	\$19	\$0	\$0	\$0	\$5	\$5	\$0	\$0	\$0	\$4	\$4
Maine	0	0	0	0	0	1	0	0	0	1	3	0	0	0	3
Massachusetts	0	0	0	21	21	0	0	0	42	42	0	0	0	85	85
New Hampshire	0	0	0	3	3	0	0	0	2	2	0	0	0	1	1
Rhode Island	0	0	3	0	3	0	0	3	0	3	0	0	1	0	1
Vermont	0	0	0	1	1	0	0	0	1	1	1	0	0	1	2
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	0	0	0	0	0	0	0	0	0	0	3	3
Maryland	0	0	0	17	17	0	8	0	8	16	0	0	0	30	30
New Jersey	11	7	1	0	19	9	4	0	0	13	5	0	0	0	5
New York	0	0	0	240	240	0	0	0	192	192	0	0	0	231	231
Pennsylvania	0	0	0	137	137	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	7	7	0	0	0	19	19	0	0	0	14	14
Indiana	56	0	13	0	69	56	0	14	0	70	55	0	14	0	69
Michigan	37	0	0	2	39	37	0	0	0	37	38	0	0	0	38
Ohio	0	0	0	24	24	0	0	0	26	26	0	0	0	20	20
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	4	106	110	0	0	34	37	71	11	0	43	2	56
Kansas	2	0	4	6	12	4	0	3	4	11	2	0	7	5	14
Minnesota	2	0	3	14	19	4	1	4	8	17	1	1	1	19	22
Missouri	0	0	1	0	1	0	0	0	0	0	0	0	6	0	6
Nebraska	1	0	1	0	2	1	0	0	0	1	1	0	0	0	1
North Dakota	4	0	24	0	28	2	0	14	0	16	2	0	2	0	4
South Dakota	3	0	1	0	4	8	0	2	0	10	1	0	1	0	2
<b>SOUTHEAST</b>															
Alabama	0	8	2	0	10	0	0	5	0	5	0	0	4	0	4
Arkansas	0	0	2	0	2	1	0	1	0	2	0	0	0	0	0
Florida	1	0	0	60	61	4	0	0	18	22	7	0	0	0	7
Georgia	0	0	0	27	27	0	0	0	13	13	0	0	0	28	28
Kentucky	0	0	27	0	27	0	0	18	0	18	0	0	12	0	12
Louisiana	0	0	0	1	1	0	0	1	3	4	0	0	0	5	5
Mississippi	1	0	1	0	2	1	0	1	0	2	0	0	4	0	4
North Carolina	0	0	0	0	0	10	0	0	0	10	3	0	0	0	3
South Carolina	1	1	1	0	3	0	0	3	0	3	0	0	0	0	0
Tennessee	0	0	35	0	35	0	0	33	0	33	0	0	61	0	61
Virginia	0	3	3	17	23	1	0	0	23	24	1	1	2	21	25
West Virginia	6	0	6	0	12	5	0	9	0	14	11	0	7	0	18
<b>SOUTHWEST</b>															
Arizona	0	0	3	0	3	20	0	5	0	25	0	0	13	0	13
New Mexico	0	0	0	4	4	0	0	2	2	4	0	0	0	2	2
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	21	84	2,422	0	2,527	23	86	2,558	0	2,667	21	87	2,583	0	2,691
<b>ROCKY MOUNTAIN</b>															
Colorado	20	0	4	0	24	18	0	2	0	20	22	0	112	0	134
Idaho	2	0	1	0	3	2	1	3	0	6	1	1	2	0	4
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	14	0	0	0	14	10	0	0	0	10	18	0	0	0	18
California	12	0	0	0	12	19	0	0	1	20	54	0	0	3	57
Hawaii*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	4	4	0	0	0	12	12	5	0	0	4	9
Oregon	0	0	0	14	14	0	0	0	17	17	0	0	0	3	3
Washington	0	0	0	29	29	0	0	0	33	33	0	0	0	6	6
<b>TOTAL</b>	<b>\$194</b>	<b>\$103</b>	<b>\$2,562</b>	<b>\$753</b>	<b>\$3,612</b>	<b>\$236</b>	<b>\$100</b>	<b>\$2,715</b>	<b>\$466</b>	<b>\$3,517</b>	<b>\$263</b>	<b>\$90</b>	<b>\$2,875</b>	<b>\$487</b>	<b>\$3,715</b>

\*See notes at the end of the chapter.

**TABLE 50**  
**TRANSPORTATION CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$524	\$29	\$687	\$1,240	\$0	\$509	\$36	\$717	\$1,262	\$0	\$433	\$26	\$823	\$1,282
Maine	0	161	122	22	305	0	160	121	3	284	0	144	84	34	262
Massachusetts	0	671	26	1,045	1,742	0	476	17	1,031	1,524	0	464	3	1,342	1,809
New Hampshire	0	16	128	0	144	0	18	145	0	163	0	10	195	0	205
Rhode Island	0	156	4	133	293	0	129	3	90	222	0	168	13	41	222
Vermont	0	270	39	1	310	0	225	36	6	267	0	246	40	9	295
<b>MID-ATLANTIC</b>															
Delaware	0	209	227	0	436	0	212	215	0	427	0	200	178	0	378
Maryland	0	829	909	0	1,738	0	780	863	0	1,643	0	768	1,280	0	2,048
New Jersey*	957	1,304	89	1,229	3,579	971	1,714	296	1,264	4,245	1,161	1,585	12	1,225	3,983
New York	0	1,437	1,492	969	3,898	0	1,433	1,634	908	3,975	0	1,666	1,445	920	4,031
Pennsylvania	0	0	0	250	250	0	0	0	295	295	0	0	0	220	220
<b>GREAT LAKES</b>															
Illinois	0	115	2,183	1,170	3,468	0	116	2,056	1,147	3,319	0	82	1,951	1,331	3,364
Indiana	0	0	14	0	14	0	0	14	0	14	0	0	13	0	13
Michigan	0	1,202	628	59	1,889	0	1,360	586	154	2,100	0	1,155	188	12	1,355
Ohio	0	1,392	529	269	2,190	0	1,406	545	188	2,139	0	1,298	719	210	2,227
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	468	256	24	748	0	344	364	0	708	0	338	193	0	531
Kansas	16	464	181	110	771	9	414	3	107	533	9	365	874	103	1,351
Minnesota	0	9	608	259	876	0	10	938	363	1,311	0	22	973	307	1,302
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	302	208	0	510	0	363	214	0	577	0	255	305	0	560
North Dakota	0	444	210	0	654	47	279	230	0	556	420	218	82	0	720
South Dakota	0	2	22	0	24	0	0	16	0	16	0	0	25	0	25
<b>SOUTHEAST</b>															
Alabama	0	428	170	0	598	0	399	180	38	617	0	418	121	130	669
Arkansas*	0	283	305	40	628	0	250	346	46	642	0	264	297	41	602
Florida	0	2,071	3,962	164	6,197	4	2,105	3,868	267	6,244	0	2,349	5,863	430	8,642
Georgia*	340	866	23	6	1,235	279	1,048	28	0	1,355	310	1,103	101	3	1,517
Kentucky	0	0	18	0	18	0	0	22	0	22	0	0	20	0	20
Louisiana	0	807	447	127	1,381	0	682	319	169	1,170	0	558	209	135	902
Mississippi	0	465	253	42	760	0	372	261	27	660	0	256	155	19	430
North Carolina	0	1,169	1,310	231	2,710	0	1,198	1,496	78	2,772	0	1,313	1,473	20	2,806
South Carolina	0	0	1	0	1	0	0	15	0	15	0	0	0	0	0
Tennessee	0	1,041	419	0	1,460	0	984	407	0	1,391	0	965	330	81	1,376
Virginia	0	0	11	38	49	0	0	18	8	26	0	0	13	4	17
West Virginia	3	464	266	0	733	2	466	198	0	666	5	529	269	0	803
<b>SOUTHWEST</b>															
Arizona	0	731	136	161	1,028	0	672	59	200	931	0	664	425	209	1,298
New Mexico	0	0	0	35	35	0	354	88	1	443	0	0	0	2	2
Oklahoma	0	896	142	110	1,148	0	756	160	116	1,032	0	644	330	5	979
Texas*	0	0	108	0	108	0	0	105	0	105	0	0	167	0	167
<b>ROCKY MOUNTAIN</b>															
Colorado	1	0	1	0	2	1	0	19	0	20	0	0	0	0	0
Idaho	0	263	48	0	311	0	242	60	0	302	0	265	139	0	404
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	3	432	360	0	795	1	370	618	0	989	2	153	603	0	758
Wyoming	76	45	146	0	267	51	71	100	0	222	57	78	111	0	246
<b>FAR WEST</b>															
Alaska	392	867	81	0	1,340	602	692	44	321	1,659	203	794	104	0	1,101
California	0	2,223	550	1,265	4,038	0	1,592	439	2,180	4,211	0	2,655	502	1,333	4,490
Hawaii	0	190	81	90	361	0	180	80	90	350	0	206	43	104	353
Nevada	0	456	266	0	722	0	338	117	0	455	0	315	100	0	415
Oregon	0	2	0	69	71	0	2	0	54	56	0	1	0	27	28
Washington	0	579	311	1,175	2,065	0	671	645	793	2,109	0	636	317	896	1,849
<b>TOTAL</b>	<b>\$1,788</b>	<b>\$24,253</b>	<b>\$17,319</b>	<b>\$9,780</b>	<b>\$53,140</b>	<b>\$1,967</b>	<b>\$23,392</b>	<b>\$18,024</b>	<b>\$10,661</b>	<b>\$54,044</b>	<b>\$2,167</b>	<b>\$23,583</b>	<b>\$20,291</b>	<b>\$10,016</b>	<b>\$56,057</b>

\*See notes at the end of the chapter.

**TABLE 51**  
**ENVIRONMENTAL PROJECTS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$374	\$374	\$0	\$0	\$0	\$106	\$106	\$0	\$0	\$0	\$342	\$342
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	155	155	0	0	0	142	142	0	0	0	189	189
New Hampshire	0	0	0	9	9	0	0	0	10	10	0	0	0	10	10
Rhode Island	0	3	5	19	27	0	1	2	14	17	0	4	3	3	10
Vermont	0	0	0	8	8	0	0	0	10	10	0	0	0	13	13
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	1	1	0	0	0	4	4	0	0	0	11	11
Maryland	0	59	288	260	607	0	48	324	224	596	0	50	257	172	479
New Jersey	109	20	19	70	218	82	42	2	75	201	91	0	5	0	96
New York	0	291	223	171	685	0	278	259	201	738	0	303	266	247	816
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	9	423	62	494	0	7	349	60	416	0	8	303	35	346
Indiana	18	0	2	0	20	17	0	2	0	19	32	0	2	0	34
Michigan	2	13	45	30	90	5	10	46	16	77	2	19	79	49	149
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	4	12	16	0	0	34	1	35	0	0	26	0	26
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minnesota	0	3	35	23	61	1	3	49	51	104	0	5	90	20	115
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	17	17	82	0	116	19	5	27	0	51	3	2	32	0	37
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama*	0	0	40	0	40	0	0	63	0	63	0	0	25	0	25
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida	44	292	307	435	1,078	46	290	286	433	1,055	92	262	357	187	898
Georgia	0	0	0	56	56	0	0	0	50	50	0	0	0	24	24
Kentucky	0	0	41	0	41	0	0	28	0	28	0	0	26	0	26
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	6	9	2	17	0	4	10	24	38	0	3	8	1	12
North Carolina	5	0	0	0	5	12	0	0	0	12	6	0	0	0	6
South Carolina	2	0	1	0	3	0	0	0	0	0	0	0	0	0	0
Tennessee	12	0	0	5	17	14	0	4	11	29	5	0	0	0	5
Virginia	0	4	0	0	4	0	3	6	13	22	0	1	2	4	7
West Virginia	0	25	15	0	40	0	32	12	0	44	0	32	8	0	40
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	0	0	9	9	0	11	2	14	27	0	0	0	54	54
Oklahoma	1	6	131	10	148	2	3	142	10	157	1	0	66	0	67
Texas	3	0	7	0	10	3	1	13	0	17	3	0	11	0	14
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	31	42	7	0	80	45	1	51	0	97	33	43	4	0	80
California	3	20	6	126	155	0	24	-14	121	131	28	59	59	1,327	1,473
Hawaii*	0	0	0	11	11	0	0	0	10	10	0	0	0	12	12
Nevada	0	0	0	0	0	0	0	0	1	1	0	0	0	1	1
Oregon	0	0	0	33	33	0	0	0	29	29	0	0	0	38	38
Washington	0	81	247	134	462	0	109	198	125	432	0	72	216	231	519
<b>TOTAL</b>	<b>\$247</b>	<b>\$891</b>	<b>\$1,937</b>	<b>\$2,015</b>	<b>\$5,090</b>	<b>\$246</b>	<b>\$872</b>	<b>\$1,895</b>	<b>\$1,755</b>	<b>\$4,768</b>	<b>\$296</b>	<b>\$863</b>	<b>\$1,845</b>	<b>\$2,970</b>	<b>\$5,974</b>

\*See notes at the end of the chapter.

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

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$88	\$88	\$0	\$0	\$0	\$58	\$58	\$0	\$0	\$0	\$91	\$91
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	185	185	0	0	0	183	183	0	0	0	182	182
New Hampshire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rhode Island	0	0	0	0	0	0	0	0	0	0	0	0	0	13	13
Vermont	0	0	0	4	4	0	0	0	2	2	0	0	0	0	0
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	3	3	0	0	0	8	8	0	0	0	2	2
Maryland	0	27	20	29	76	0	24	26	51	101	3	19	26	54	102
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	2	0	125	127	0	1	0	121	122	0	3	0	114	117
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	34	34	0	0	0	24	24	0	0	0	56	56
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	0	382	80	11	473	0	175	70	13	258	0	0	57	11	68
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minnesota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida	0	0	0	0	0	60	0	55	0	115	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	1	1	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	0	0	49	49	0	0	0	125	125	0	0	0	0	0
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	138	14	1	0	153	36	10	1	22	69	89	14	0	0	103
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	5	28	33	0	0	0	26	26	0	0	0	131	131
<b>TOTAL</b>	<b>\$138</b>	<b>\$425</b>	<b>\$106</b>	<b>\$557</b>	<b>\$1,226</b>	<b>\$96</b>	<b>\$210</b>	<b>\$152</b>	<b>\$633</b>	<b>\$1,091</b>	<b>\$92</b>	<b>\$36</b>	<b>\$83</b>	<b>\$654</b>	<b>\$865</b>

\*See notes at the end of the chapter.

**TABLE 53**  
**ALL OTHER CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012					Actual Fiscal 2013					Estimated Fiscal 2014				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$1,127	\$1,127	\$0	\$0	\$0	\$1,305	\$1,305	\$0	\$0	\$0	\$1,380	\$1,380
Maine	0	10	8	4	22	0	16	10	5	31	1	3	5	1	10
Massachusetts	0	0	0	494	494	0	0	0	458	458	0	0	0	549	549
New Hampshire	0	0	0	21	21	0	0	0	51	51	0	0	0	47	47
Rhode Island	0	0	20	15	35	1	1	27	37	66	0	4	10	8	22
Vermont	0	0	1	38	39	1	14	0	50	65	2	96	6	90	194
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	172	172	0	0	0	201	201	0	0	0	244	244
Maryland	48	72	0	445	565	1	70	0	574	645	29	18	0	553	600
New Jersey	203	52	12	59	326	253	21	16	35	325	166	16	17	0	199
New York	0	94	301	1,445	1,840	0	148	343	754	1,245	0	55	407	987	1,449
Pennsylvania	0	0	0	780	780	0	0	0	460	460	0	0	0	845	845
<b>GREAT LAKES</b>															
Illinois	0	0	2	622	624	0	0	6	586	592	0	0	6	736	742
Indiana	84	0	22	0	106	78	0	20	0	98	46	0	26	0	72
Michigan	67	3	13	4	87	68	5	18	7	98	67	4	18	22	111
Ohio	0	0	40	820	860	0	0	40	637	677	0	5	178	509	692
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	32	25	57	0	52	47	4	103	3	85	47	8	143
Kansas	28	47	294	24	393	20	12	26	25	83	27	10	9	31	77
Minnesota	2	25	3	199	229	5	8	5	172	190	3	50	5	285	343
Missouri	88	11	30	0	129	70	11	26	0	107	21	19	39	0	79
Nebraska	2	23	42	0	67	1	24	39	0	64	3	19	30	0	52
North Dakota	26	13	10	0	49	40	9	9	0	58	67	24	25	0	116
South Dakota	8	5	18	4	35	7	24	13	1	45	2	38	16	2	58
<b>SOUTHEAST</b>															
Alabama*	7	0	77	323	407	3	0	35	185	223	3	0	27	365	395
Arkansas	0	23	38	14	75	0	19	15	52	86	0	10	73	0	83
Florida	93	0	893	397	1,383	21	0	1,259	95	1,375	105	0	1,532	55	1,692
Georgia*	0	0	0	356	356	0	0	0	315	315	0	0	0	388	388
Kentucky	0	0	461	0	461	0	0	419	0	419	0	0	240	0	240
Louisiana	79	21	152	162	414	39	37	120	163	359	23	11	120	165	319
Mississippi	9	23	37	300	369	4	52	80	704	840	7	27	124	231	389
North Carolina	1	0	0	417	418	2	0	0	153	155	2	0	0	306	308
South Carolina	14	13	12	0	39	0	18	23	0	41	0	0	0	0	0
Tennessee	51	16	1	169	237	52	20	11	93	176	44	3	0	26	73
Virginia	2	13	74	218	307	2	10	23	93	128	3	3	11	85	102
West Virginia	26	84	92	0	202	13	54	40	0	107	37	32	38	0	107
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	3	0	0	0	3	0	0	0	0	0
New Mexico	0	0	0	89	89	0	45	19	213	277	0	0	0	188	188
Oklahoma	3	163	47	14	227	3	96	72	13	184	3	142	105	5	255
Texas	191	155	126	4	476	129	201	178	20	528	160	178	152	12	502
<b>ROCKY MOUNTAIN</b>															
Colorado	73	0	227	0	300	79	0	120	0	199	225	0	85	0	310
Idaho	0	0	31	27	58	0	0	23	4	27	0	0	37	22	59
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	57	2	120	453	632	116	3	385	488	992	201	13	645	481	1,340
Wyoming	12	6	7	0	25	2	1	1	0	4	2	2	1	0	5
<b>FAR WEST</b>															
Alaska	1,006	143	69	0	1,218	1,182	198	62	207	1,649	841	78	147	0	1,066
California	12	101	106	0	219	15	32	16	0	63	29	16	15	7	67
Hawaii	0	13	192	349	554	0	13	171	368	552	0	15	199	475	689
Nevada	0	16	1	10	27	0	35	1	20	56	0	6	4	7	17
Oregon	0	22	30	76	128	0	14	33	32	79	0	19	29	91	139
Washington	0	66	116	219	401	0	45	208	400	653	0	59	222	328	609
<b>TOTAL*</b>	<b>\$2,192</b>	<b>\$1,235</b>	<b>\$3,757</b>	<b>\$9,895</b>	<b>\$17,079</b>	<b>\$2,210</b>	<b>\$1,308</b>	<b>\$3,959</b>	<b>\$8,980</b>	<b>\$16,457</b>	<b>\$2,122</b>	<b>\$1,060</b>	<b>\$4,650</b>	<b>\$9,533</b>	<b>\$17,365</b>



## Capital Spending Notes

**Alabama:** Capital expenditures for higher education are not captured/available at the state budget level. Capital expenditures for Environmental and All Other from Federal and Other State Funds are not reported separately, combined amounts are included in the Other State Funds.

**Arkansas:** Transportation amounts now reflect all highway capital expenditures based on clarification of capital project reporting requirements.

**Georgia:** Capital expenditures for debt service are included under All Other State expenditures. Motor fuel funds are now being reported under General Funds rather than Other State Funds. In fiscal 2013, the Georgia Department of Transportation began spending its obligation authority with the federal government within one year. Therefore, beginning in fiscal 2013, General Fund expenditures decreased while Federal Fund expenditures increased.

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

**New Jersey:** Transportation Bond Funds: fiscal 2012 actual revised compared to prior year survey for consistency.

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

**Texas:** Transportation figures do not include highway construction. Higher education figures include amounts for community colleges.

**South Carolina:** Fiscal 2013 and fiscal 2014 bond fund numbers not available at this time.



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**CHAPTER**

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## **REVENUE SOURCES IN THE GENERAL FUND**

## Revenue Sources in the General Fund

General fund revenue, the source of most state expenditures and the most discretionary, totaled \$719.7 billion in fiscal 2013. The three main sources of general fund revenue—personal income taxes, sales and compensating use taxes, and corporate income taxes—accounted for 78.4 percent of general fund collections. Specifically, personal income taxes accounted for 42.4 percent of the total, sales and compensating use taxes for 29.8 percent, and corporate income taxes for 6.2 percent of total general fund revenues in 2013. Other taxes and fees represented 20.9 percent of general fund revenues, while gaming taxes were 0.6 percent. The major sources of general fund revenues are displayed by state in Table 54, while information on items excluded from revenue sources can be found in Table 55.

Depending on the state, “other taxes and fees” may include cigarette and tobacco taxes, alcoholic beverage taxes, insurance premiums, severance taxes, 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.

Table 55 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 exclude them from both their general funds and their revenue bases. However, many states use aid to local governments or other subsidies to help reduce the amount of property taxes local governments collect.

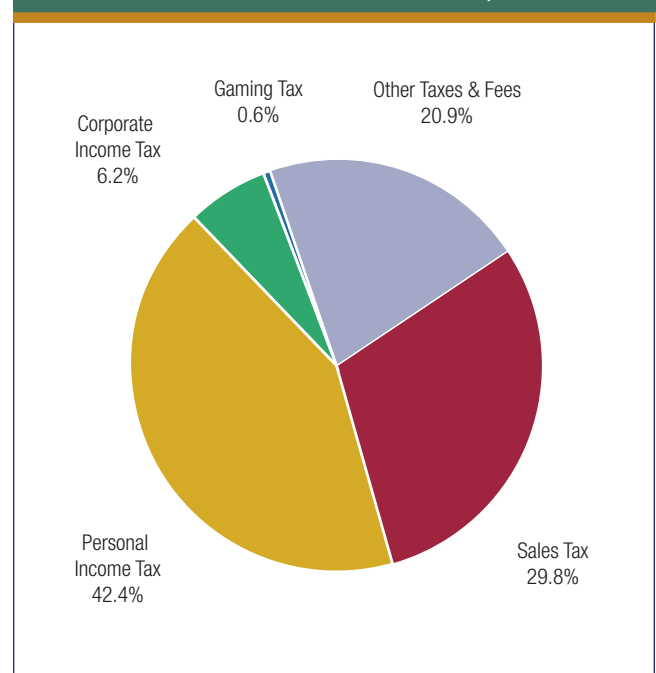
## State Tax Collection Trends

Following two straight years of revenue declines in fiscal 2009 and fiscal 2010, general fund revenues increased for the third consecutive year in fiscal 2013. In total, general fund revenues increased 7.0 percent in fiscal 2013 compared to fiscal 2012. Personal income taxes experienced the largest increase at 9.8, while corporate income taxes rose 9.2 percent, sales taxes grew 5.2 percent, other taxes and fees increased 3.6 percent, and gaming taxes rose 2.3 percent. The strong growth in personal

income taxes can be attributed to modest economic improvements, strong gains in the stock market, and to the impact of the federal “fiscal cliff”, in which many taxpayers shifted capital gains and other income to calendar year 2012 to avoid higher scheduled federal tax rates.

State general fund revenues once again increased in fiscal 2014, albeit at a much slower rate. Total general fund revenues increased 1.4 percent, with sales taxes experiencing the strongest growth at 4.8 percent, personal income taxes increasing by 1.2 percent, and corporate income taxes rising by 0.5 percent. Other taxes and fees and gaming taxes both declined, at 2.5 percent and 5.3 percent respectively. Most states anticipated slower personal income tax growth in fiscal 2014 compared to fiscal 2013 due to prior tax shifting brought on by the federal tax uncertainty. However, the drop off was more significant than a number of states predicated, and some saw revenues come in below projections in the spring of 2014. The Rockefeller Institute of Government found that personal income taxes increased by 5.1 and 0.3 percent in the first two quarters of fiscal 2014, but declined by 1.2 and 7.1 percent respectively in the last two quarters. It is expected that most of the effects of the federal fiscal cliff will subside in fiscal 2015, and personal income taxes will return to modest growth.

**FIGURE 21**  
**REVENUE SOURCES IN THE GENERAL FUND, FISCAL 2013**



**TABLE 54**  
**REVENUE SOURCES IN THE GENERAL FUND (\$ IN MILLIONS)**

Region/state	Actual Fiscal 2012						Actual Fiscal 2013						Estimated Fiscal 2014					
	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total
<b>NEW ENGLAND</b>																		
Connecticut*	\$3,830	\$8,311	\$717	\$658	\$5,046	\$18,562	\$3,897	\$8,719	\$743	\$612	\$5,434	\$19,405	\$4,102	\$8,670	\$778	\$603	\$2,987	\$17,140
Maine*	1,030	1,434	232	0	320	3,016	1,037	1,522	172	0	364	3,094	1,158	1,381	170	0	365	3,074
Massachusetts*	5,059	11,911	1,771	0	14,552	33,294	5,164	12,831	1,822	0	15,453	35,270	5,496	13,202	2,049	0	16,512	37,259
New Hampshire	0	0	516	4	1,670	2,190	0	0	552	4	1,720	2,276	0	0	549	3	1,621	2,173
Rhode Island	851	1,060	123	1	1,235	3,271	879	1,086	132	1	1,226	3,324	907	1,103	117	1	1,288	3,416
Vermont	229	593	84	0	293	1,199	231	661	95	0	302	1,289	230	671	95	0	332	1,328
<b>MID-ATLANTIC</b>																		
Delaware	0	1,042	119	0	2,198	3,359	0	1,084	206	0	2,440	3,730	0	1,027	176	0	2,370	3,573
Maryland*	4,039	7,115	646	0	2,457	14,257	4,068	7,691	818	0	2,308	14,885	4,143	7,774	761	0	2,428	15,106
New Jersey	8,100	11,128	2,143	972	7,276	29,619	8,455	12,109	2,536	1,107	7,225	31,432	8,856	12,050	2,640	986	6,697	31,229
New York	11,126	38,767	5,760	17	2,398	58,068	11,232	40,227	6,253	18	2,461	60,191	11,786	42,961	6,046	17	2,826	63,636
Pennsylvania	8,772	10,801	2,022	95	5,988	27,678	8,894	11,371	2,423	89	5,870	28,647	9,194	11,717	2,572	97	5,536	29,116
<b>GREAT LAKES</b>																		
Illinois	7,226	15,512	2,461	340	8,258	33,797	7,355	16,538	3,177	345	8,913	36,328	7,676	16,642	3,164	321	8,965	36,768
Indiana	6,622	4,766	959	614	1,164	14,125	6,796	4,978	968	555	1,165	14,462	6,926	4,899	1,054	474	1,049	14,402
Michigan*	1,875	4,817	1,263	0	1,292	9,247	1,842	5,931	680	0	1,130	9,583	2,227	5,836	308	0	1,119	9,490
Ohio*	8,087	8,433	117	0	10,549	27,186	8,445	9,508	262	0	11,344	29,559	9,166	8,065	-11	0	12,014	29,233
Wisconsin	4,289	7,042	907	0	1,278	13,516	4,410	7,497	925	0	1,254	14,086	4,628	7,061	967	0	1,292	13,948
<b>PLAINS</b>																		
Iowa	2,052	3,030	426	142	661	6,311	2,087	3,440	428	123	691	6,769	2,221	3,314	419	88	640	6,682
Kansas	2,462	2,908	284	0	759	6,413	2,525	2,931	371	0	514	6,341	2,455	2,525	410	0	596	5,986
Minnesota*	4,669	7,972	1,044	41	2,700	16,426	4,760	9,013	1,281	37	2,855	17,946	5,007	9,466	1,337	41	3,239	19,090
Missouri	1,845	4,914	341	0	241	7,341	1,872	5,489	415	0	307	8,083	1,925	5,404	396	0	278	8,003
Nebraska	1,437	1,823	234	1	201	3,696	1,475	2,102	276	1	199	4,052	1,525	2,061	307	1	224	4,117
North Dakota	1,154	430	199	6	731	2,520	1,296	616	187	5	532	2,636	1,315	511	235	4	819	2,884
South Dakota	744	0	0	1	537	1,282	776	0	0	1	587	1,364	823	0	0	1	652	1,476
<b>SOUTHEAST</b>																		
Alabama*	2,028	2,919	379	2	2,060	7,388	1,920	3,103	349	2	2,035	7,409	1,947	3,143	355	2	2,189	7,636
Arkansas	2,111	2,895	435	31	451	5,923	2,125	3,144	431	39	475	6,214	2,173	3,111	440	42	476	6,242
Florida	17,422	0	2,011	171	4,015	23,619	18,418	0	2,081	245	4,571	25,315	19,682	0	2,128	254	4,241	26,306
Georgia*	5,304	8,142	591	0	3,233	17,270	5,277	8,772	797	0	3,449	18,296	5,053	9,005	817	0	4,045	18,920
Kentucky	3,052	3,512	374	0	2,153	9,091	3,022	3,723	401	0	2,202	9,348	3,131	3,749	475	0	2,107	9,462
Louisiana	2,840	2,486	374	387	1,978	8,066	2,874	2,754	336	390	1,924	8,278	2,911	2,812	280	392	1,922	8,316
Mississippi	2,071	1,489	505	152	552	4,769	2,145	1,650	524	140	546	5,005	2,201	1,667	677	128	577	5,250
North Carolina	5,258	10,272	1,133	0	2,870	19,533	5,294	10,953	1,192	0	3,101	20,540	5,567	10,272	1,357	0	2,951	20,147
South Carolina	2,354	2,592	212	0	700	5,858	2,448	2,844	351	0	732	6,375	2,514	2,911	302	0	737	6,464
Tennessee*	6,500	120	1,003	0	3,520	11,143	6,608	170	1,082	0	3,590	11,450	6,854	169	1,059	0	3,672	11,754
Virginia	3,122	10,613	860	0	1,253	15,847	3,249	11,093	821	0	1,259	16,421	3,066	11,253	757	0	1,334	16,411
West Virginia	1,178	1,647	174	0	1,017	4,016	1,197	1,722	249	0	982	4,150	1,204	1,767	230	0	935	4,136
<b>SOUTHWEST</b>																		
Arizona	3,655	3,092	648	0	833	8,228	3,842	3,398	662	0	832	8,734	4,054	3,610	598	0	790	9,052
New Mexico	2,428	1,151	281	68	1,889	5,817	2,398	1,241	267	71	1,732	5,709	2,487	1,212	279	73	1,814	5,864
Oklahoma	2,004	2,044	343	15	1,158	5,565	2,087	2,114	452	15	936	5,604	2,156	2,085	307	15	1,065	5,628
Texas*	22,504	0	0	0	16,661	39,165	26,702	0	0	0	20,624	47,326	27,583	0	0	0	20,714	48,297
<b>ROCKY MOUNTAIN</b>																		
Colorado*	2,093	5,012	487	20	124	7,736	2,212	5,596	636	12	98	8,555	2,373	5,699	721	11	125	8,929
Idaho	1,027	1,206	187	0	167	2,587	1,110	1,284	199	0	158	2,750	1,148	1,320	194	0	147	2,808
Montana	62	899	128	54	728	1,871	62	1,048	177	57	734	2,078	63	1,063	148	57	746	2,077
Utah	1,583	2,459	269	0	548	4,859	1,616	2,852	338	0	523	5,329	1,651	2,782	291	0	534	5,258
Wyoming	498	0	0	0	706	1,204	481	0	0	0	900	1,381	504	0	0	0	552	1,056
<b>FAR WEST</b>																		
Alaska	0	0	667	8	8,810	9,485	0	0	547	9	6,376	6,932	0	0	552	8	4,744	5,304
California*	18,658	54,261	7,233	1	6,633	86,786	20,482	64,484	7,783	1	6,652	99,402	22,759	66,522	8,107	1	4,796	102,185
Hawaii*	2,698	1,541	73	0	1,349	5,661	2,945	1,736	101	0	1,452	6,234	2,825	1,745	87	0	1,439	6,096
Nevada	876	0	0	686	1,520	3,082	923	0	0	711	1,499	3,133	970	0	0	727	1,426	3,124
Oregon	0	5,853	431	0	657	6,941	0	6,268	453	0	492	7,213	0	6,634	472	0	469	7,575
Washington*	7,225	0	0	0	7,649	14,874	7,687	0	0	0	8,062	15,749	8,205	0	0	0	8,079	16,284
<b>ALL STATES</b>	<b>\$204,048</b>	<b>\$278,014</b>	<b>\$41,165</b>	<b>\$4,488</b>	<b>\$145,038</b>	<b>\$672,754</b>	<b>\$214,619</b>	<b>\$305,292</b>	<b>\$44,950</b>	<b>\$4,590</b>	<b>\$150,230</b>	<b>\$719,681</b>	<b>\$224,847</b>	<b>\$308,869</b>	<b>\$45,172</b>	<b>\$4,347</b>	<b>\$146,475</b>	<b>\$729,710</b>

\*See notes at the end of the chapter.

**TABLE 55**  
**ITEMS EXCLUDED FROM REVENUE SOURCES**

Region/State	Sales and Compensating Use Taxes	Personal Income Taxes	Corporate Income Taxes	Gaming Taxes	Lottery Funds	Cigarette and Tobacco Taxes	Motor Fuel Taxes	Alcoholic Beverage Taxes	Insurance Premium Taxes	Property Taxes	Utility Taxes	Severance Taxes	Federal Funds	Licenses and Fees	Other
<b>NEW ENGLAND</b>															
Connecticut*							X			X		X	P		
Maine*							P	P		P		X	X	P	
Massachusetts*										X		X			
New Hampshire	X	X										X			
Rhode Island							X			X		X	X		
Vermont	P			X	X	X	X			P	P	X	X		
<b>MID-ATLANTIC</b>															
Delaware	X			X			X			X		X	X		
Maryland				X			P			X		X	X		
New Jersey	P		P	X		P		P	P	X	P	X	X	P	
New York	P		P		X	P	X		P	X	P	X	X	X	X
Pennsylvania	P			P	X	P	X		P	P		X	X	P	P
<b>GREAT LAKES</b>															
Illinois															
Indiana					X	P	X			X	P	X	X	P	
Michigan	P	P		X	X	P	X	P		X			P	P	P
Ohio*			X	X	X		X			X		X			
Wisconsin				X	X		X			X		X	X	X	
<b>PLAINS</b>															
Iowa				P		P	X			X			X		
Kansas				P	P		X			P	X		X	P	P
Minnesota*					P					P	X	P	P		
Missouri	P			X	X	X	X	P	P	X	X	X	P	P	P
Nebraska															
North Dakota							X			X	X		X		
South Dakota		N/A	N/A	P			X			X	X		X		
<b>SOUTHEAST</b>															
Alabama					X	P	X	P		P			X	P	
Arkansas					X					X					
Florida		X			X	P	X			X	X		X	P	P
Georgia*				X	X							X	X		X
Kentucky				N/A			X						X	X	
Louisiana					X		X			X	X		X	P	P
Mississippi					X		P				X		X	X	
North Carolina				X	X		X			X		X	X		
South Carolina				X						X		X			
Tennessee*				X	P					X					
Virginia				X	X	P				X	X	X		P	
West Virginia				N	P		X				X		X		
<b>SOUTHWEST</b>															
Arizona				X		P	X	P		P			P		
New Mexico					X		X			X	X				
Oklahoma	P	P	P	P	X	P	P	P	P	X	X	P	X	P	P
Texas*		X	X	X						X			X		
<b>ROCKY MOUNTAIN</b>															
Colorado*		P	P	P	X	P	X			X	X	X	X	P	P
Idaho				X	X	P	X	P		X	X	X	X	X	
Montana							X		P		P	P	X	P	P
Utah				X	X		X			X			X		
Wyoming		X	X		X										
<b>FAR WEST</b>															
Alaska	X	X			X						X	X	X		
California*	P	P		P	X	P	X		P	X	X	X	X	P	P
Hawaii*	P			N/A	N/A	P	X		P	N/A	P	N/A	P	P	P
Nevada		X	X		X		X			X	X		X	P	P
Oregon	N/A			X	X	P	X	P		X	X		X		
Washington		X	X	X	X	P	X					X	X	P	
<b>ALL STATES</b>	<b>13</b>	<b>12</b>	<b>10</b>	<b>28</b>	<b>32</b>	<b>19</b>	<b>36</b>	<b>9</b>	<b>8</b>	<b>39</b>	<b>24</b>	<b>28</b>	<b>39</b>	<b>23</b>	<b>14</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Revenue Sources in the General Fund

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**Alabama:** Fiscal 2012 Other Taxes and Fees includes \$266 million from prior year capital gains errors in Alabama Trust Fund. Fiscal 2013 Other Taxes and Fees includes \$145M transfer from Alabama Trust Fund per Constitutional Amendment 856.

**California:** Horse racing is partially excluded under gaming taxes.

**Colorado:** The source of fiscal 2011 revenue figures is Table 2 of June 2012 OSPB forecast, while the source for fiscal 2012 and fiscal 2013 is Table 2 of June 2013 OSPB forecast. This “other taxes” area reflects cigarette, tobacco, liquor, estate, insurance, interest income, pari-mutuel, court receipts, and other income. This income is offset by a diversion to the State Education Fund of one-third of 1% of Colorado taxable income, which is required by the Colorado Constitution to be transferred. This sum reduces the amount of “other taxes and fees” by its inclusion in this category. The SEF diversion was estimated at \$407.5M in FY 11-12, was \$393.9M in FY 10-11, and \$372.1M in FY 09-10. Regarding personal income taxes and corporate income taxes, one-third of 1% of Colorado taxable income is required to be transferred to a special fund for education each year. Thus, not all income tax revenue is credited to the General Fund.

**Maine:** The December 2012 Revenue Forecast was used to report revenue on the Spring Fiscal Survey of the States for fiscal year 2012-13. The most recent forecast, May 2013, was used to complete this survey for fiscal year 2012-13. Maine historically reports Gaming Revenue in Other Taxes and Fees.

**Maryland:** Fiscal 2013 General Fund revenue includes \$276.5 million in Budget Restoration Funds used to restore fiscal reductions, including \$247.3 million from individual income taxes, \$7.4 million in corporate income taxes, and \$21.8 million in other sources. Fiscal 2013 General Fund revenue also includes extraordinary revenues of \$32.9 million from a GAAP transfer. Motor fuel taxes were partially excluded last year and are fully excluded this year.

**Massachusetts:** Data provides the gross tax revenue figures, before accounting for statutorily required transfers to off-budget funds. Figures do not represent the true discretionary amount available to state budget writers. The statutorily required transfers totaled \$3.043 billion in fiscal 2013, including: \$786.9 million for the Massachusetts Bay Transportation Authority (MBTA); \$682.0 million for the School Building Authority (SBA); \$1.552 billion for the pension fund transfer, which represents full funding of the scheduled pension contribution for fiscal 2014; and \$22.2 million for the Workforce Training Fund.

**Michigan:** Actual fiscal 2011 and fiscal 2012 amounts reflect general fund non-dedicated revenue as contained in the respective State of Michigan Comprehensive Annual Financial Reports. Revenue figures have been adjusted to put them on a basis comparable to the consensus estimates. Fiscal 2013 estimates are the May 2013 consensus revenue estimates.

**Ohio:** Ohio deposits federal reimbursements for Medicaid expenditures made from the General Revenue Fund into the General Revenue Fund.

**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 has no personal/corporate income tax, gaming taxes, or statewide property tax.

**Washington:** Fiscal 2011 totals are based on the June 2012 revenue forecast document while fiscal 2012 and estimated fiscal 2013 are based on the June 2013 revenue forecast document.





# APPENDIX

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**TABLE A-1**  
**TOTAL STATE EXPENDITURES BY FUND SOURCE (EXCLUDES BONDS) (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2012			Actual Fiscal 2013			Estimated Fiscal 2014		
	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds
<b>NEW ENGLAND</b>									
Connecticut	\$22,221	\$2,631	<b>\$24,852</b>	\$22,738	\$2,613	<b>\$25,351</b>	\$20,938	\$5,501	<b>\$26,439</b>
Maine	5,396	2,649	<b>8,045</b>	5,100	2,563	<b>7,663</b>	5,330	2,696	<b>8,026</b>
Massachusetts	39,129	16,157	<b>55,286</b>	40,230	15,530	<b>55,760</b>	41,752	15,135	<b>56,887</b>
New Hampshire	3,245	1,650	<b>4,895</b>	3,326	1,604	<b>4,930</b>	3,375	1,703	<b>5,078</b>
Rhode Island	5,110	2,599	<b>7,709</b>	5,189	2,520	<b>7,709</b>	5,259	2,543	<b>7,802</b>
Vermont	3,130	1,831	<b>4,961</b>	3,197	1,695	<b>4,892</b>	3,382	1,771	<b>5,153</b>
<b>MID-ATLANTIC</b>									
Delaware	6,980	1,777	<b>8,757</b>	6,940	1,783	<b>8,723</b>	7,253	1,903	<b>9,156</b>
Maryland	24,857	9,058	<b>33,915</b>	25,936	9,184	<b>35,120</b>	27,479	9,859	<b>37,338</b>
New Jersey	36,290	10,998	<b>47,288</b>	37,396	12,041	<b>49,437</b>	39,574	13,566	<b>53,140</b>
New York	89,332	40,311	<b>129,643</b>	91,265	38,574	<b>129,839</b>	92,915	41,171	<b>134,086</b>
Pennsylvania	59,190	24,177	<b>83,367</b>	60,633	23,945	<b>84,578</b>	62,391	23,810	<b>86,201</b>
<b>GREAT LAKES</b>									
Illinois	43,717	14,007	<b>57,724</b>	47,861	15,472	<b>63,333</b>	50,392	19,964	<b>70,356</b>
Indiana	16,923	9,272	<b>26,195</b>	17,814	10,357	<b>28,171</b>	17,282	9,978	<b>27,260</b>
Michigan	29,463	17,549	<b>47,012</b>	29,648	17,424	<b>47,072</b>	30,605	20,632	<b>51,237</b>
Ohio	42,765	13,144	<b>55,909</b>	43,435	12,647	<b>56,082</b>	46,043	13,046	<b>59,089</b>
Wisconsin	30,752	10,572	<b>41,324</b>	31,954	10,815	<b>42,769</b>	33,887	11,006	<b>44,893</b>
<b>PLAINS</b>									
Iowa	12,082	6,551	<b>18,633</b>	13,697	5,727	<b>19,424</b>	13,957	6,122	<b>20,079</b>
Kansas	9,835	4,153	<b>13,988</b>	9,664	3,890	<b>13,554</b>	11,158	3,511	<b>14,669</b>
Minnesota	21,435	8,170	<b>29,605</b>	23,829	8,435	<b>32,264</b>	25,861	9,492	<b>35,353</b>
Missouri	15,825	7,539	<b>23,364</b>	15,734	7,209	<b>22,943</b>	15,970	7,208	<b>23,178</b>
Nebraska	6,888	2,988	<b>9,876</b>	7,148	3,014	<b>10,162</b>	7,725	2,817	<b>10,542</b>
North Dakota	4,125	1,884	<b>6,009</b>	4,170	1,536	<b>5,706</b>	5,186	1,590	<b>6,776</b>
South Dakota	2,146	1,507	<b>3,653</b>	2,569	1,494	<b>4,063</b>	2,669	1,420	<b>4,089</b>
<b>SOUTHEAST</b>									
Alabama	14,835	9,439	<b>24,274</b>	14,814	9,482	<b>24,296</b>	14,605	9,288	<b>23,893</b>
Arkansas	14,275	6,278	<b>20,553</b>	15,160	6,082	<b>21,242</b>	16,077	6,511	<b>22,588</b>
Florida	37,025	24,570	<b>61,595</b>	38,830	24,272	<b>63,102</b>	48,135	25,416	<b>73,551</b>
Georgia	28,042	12,469	<b>40,511</b>	28,590	13,046	<b>41,636</b>	29,545	11,834	<b>41,379</b>
Kentucky	16,962	8,687	<b>25,649</b>	17,672	8,001	<b>25,673</b>	19,221	9,614	<b>28,835</b>
Louisiana	16,152	10,616	<b>26,768</b>	16,698	10,241	<b>26,939</b>	17,683	11,091	<b>28,774</b>
Mississippi	10,092	7,590	<b>17,682</b>	9,973	7,755	<b>17,728</b>	10,479	8,197	<b>18,676</b>
North Carolina	34,757	14,513	<b>49,270</b>	30,183	12,691	<b>42,874</b>	30,996	12,850	<b>43,846</b>
South Carolina	12,681	9,284	<b>21,965</b>	14,408	7,800	<b>22,208</b>	14,445	6,993	<b>21,438</b>
Tennessee	17,359	12,806	<b>30,165</b>	17,658	12,532	<b>30,190</b>	18,832	13,231	<b>32,063</b>
Virginia	32,876	9,212	<b>42,088</b>	35,024	9,546	<b>44,570</b>	35,123	9,568	<b>44,691</b>
West Virginia	17,755	4,064	<b>21,819</b>	18,168	4,075	<b>22,243</b>	19,398	4,412	<b>23,810</b>
<b>SOUTHWEST</b>									
Arizona	15,197	12,299	<b>27,496</b>	15,660	12,008	<b>27,668</b>	16,068	12,837	<b>28,905</b>
New Mexico	8,585	5,790	<b>14,375</b>	8,897	5,799	<b>14,696</b>	10,100	6,126	<b>16,226</b>
Oklahoma	13,663	7,122	<b>20,785</b>	14,363	6,923	<b>21,286</b>	14,721	7,425	<b>22,146</b>
Texas	59,435	32,324	<b>91,759</b>	60,804	30,884	<b>91,688</b>	65,373	34,676	<b>100,049</b>
<b>ROCKY MOUNTAIN</b>									
Colorado	21,086	7,691	<b>28,777</b>	21,612	7,423	<b>29,035</b>	22,531	7,756	<b>30,287</b>
Idaho	3,853	2,383	<b>6,236</b>	4,033	2,648	<b>6,681</b>	4,530	2,814	<b>7,344</b>
Montana	3,788	2,131	<b>5,919</b>	3,925	2,115	<b>6,040</b>	4,039	2,149	<b>6,188</b>
Utah	7,781	3,588	<b>11,369</b>	8,745	3,446	<b>12,191</b>	9,263	3,644	<b>12,907</b>
Wyoming	4,203	1,547	<b>5,750</b>	6,778	2,354	<b>9,132</b>	5,563	2,082	<b>7,645</b>
<b>FAR WEST</b>									
Alaska	8,722	3,017	<b>11,739</b>	8,558	2,730	<b>11,288</b>	8,620	2,971	<b>11,591</b>
California	120,258	73,063	<b>193,321</b>	134,286	70,431	<b>204,717</b>	140,239	81,059	<b>221,298</b>
Hawaii	8,796	1,932	<b>10,728</b>	8,937	1,912	<b>10,849</b>	9,612	2,148	<b>11,760</b>
Nevada	5,039	2,554	<b>7,593</b>	5,938	2,918	<b>8,856</b>	5,903	2,823	<b>8,726</b>
Oregon	18,932	7,753	<b>26,685</b>	18,220	7,451	<b>25,671</b>	20,175	8,090	<b>28,265</b>
Washington	23,415	8,049	<b>31,464</b>	24,264	8,100	<b>32,364</b>	25,171	9,102	<b>34,273</b>
<b>TOTAL</b>	<b>\$1,106,400</b>	<b>\$511,945</b>	<b>\$1,618,345</b>	<b>\$1,151,671</b>	<b>\$502,737</b>	<b>\$1,654,408</b>	<b>\$1,206,830</b>	<b>\$541,151</b>	<b>\$1,747,981</b>

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 2012				Actual Fiscal 2013				Estimated Fiscal 2014			
	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total
<b>NEW ENGLAND</b>												
Connecticut*	\$24	\$0	\$0	\$24	\$26	\$0	\$0	\$26	\$29	\$0	\$0	\$29
Maine*	10	0	28	38	10	0	30	40	3	0	9	13
Massachusetts	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire	8	0	14	22	5	0	10	15	4	0	8	12
Rhode Island	17	0	34	51	19	0	38	57	15	0	28	43
Vermont	3	0	9	12	3	0	12	15	3	0	13	16
<b>MID-ATLANTIC</b>												
Delaware	1	6	16	23	2	6	17	25	8	0	18	26
Maryland*	70	6	141	217	77	7	156	240	84	5	165	254
New Jersey*	220	111	615	946	245	117	595	957	90	122	368	580
New York	0	350	507	857	0	372	525	897	0	406	604	1010
Pennsylvania	102	34	310	446	105	32	302	439	118	28	326	472
<b>GREAT LAKES</b>												
Illinois	102	11	210	323	164	10	321	495	136	11	273	419
Indiana	0	37	84	121	0	37	84	121	0	37	128	165
Michigan*	20	0	64	84	30	0	98	128	24	0	79	103
Ohio	335	0	0	335	365	0	0	365	375	0	0	375
Wisconsin*	28	3	90	121	33	3	97	133	35	22	144	201
<b>PLAINS</b>												
Iowa	34	7	86	127	37	8	91	136	41	8	99	148
Kansas	16	5	48	69	17	4	50	71	16	10	62	88
Minnesota	7	0	22	29	6	0	19	25	8	0	28	36
Missouri	28	16	129	173	28	18	126	172	30	16	133	179
Nebraska	7	9	38	54	13	7	46	67	17	7	53	77
North Dakota	4	0	9	13	4	0	9	13	5	0	9	14
South Dakota	7	0	18	25	8	0	18	26	8	0	18	26
<b>SOUTHEAST</b>												
Alabama	35	5	166	206	35	5	159	199	35	5	127	167
Arkansas	25	0	99	124	17	4	81	102	20	0	75	95
Florida	51	105	326	482	46	107	335	488	38	110	326	474
Georgia	78	0	251	329	87	0	285	372	102	0	322	424
Kentucky	36	0	141	177	35	0	135	170	35	0	137	172
Louisiana	50	7	153	210	3	56	162	221	67	0	178	245
Mississippi	36	0	164	200	38	0	165	203	41	0	177	218
North Carolina	78	3	256	337	79	10	236	326	59	1	187	246
South Carolina	25	0	98	123	25	0	98	123	27	0	106	133
Tennessee*	56	6	175	237	63	2	196	261	51	3	162	216
Virginia	72	16	167	256	87	14	189	291	91	14	199	304
West Virginia	12	0	46	58	12	0	45	57	11	0	44	55
<b>SOUTHWEST</b>												
Arizona	7	0	27	34	5	11	54	69	3	6	32	41
New Mexico	32	0	120	153	31	0	111	142	19	0	70	89
Oklahoma	29	2	93	124	38	3	120	161	38	3	124	165
Texas	348	0	851	1199	355	0	886	1241	391	0	963	1354
<b>ROCKY MOUNTAIN</b>												
Colorado	29	36	117	182	13	72	98	183	19	46	121	185
Idaho	9	0	37	46	11	0	42	53	12	0	45	57
Montana	2	15	55	72	3	18	67	88	3	20	76	100
Utah	5	11	58	74	2	15	56	73	3	15	55	73
Wyoming	5	0	10	15	5	0	10	15	5	0	9	14
<b>FAR WEST</b>												
Alaska	10	0	20	30	10	0	20	30	11	0	20	31
California	468	174	1385	2027	389	144	1074	1607	666	54	1461	2181
Hawaii	15	0	29	44	11	0	21	32	18	0	34	52
Nevada*	10	2	24	36	9	2	25	36	10	1	27	38
Oregon*	29	16	129	174	-3	56	155	208	19	40	206	265
Washington	15	1	25	41	14	1	29	44	15	2	32	49
<b>TOTAL</b>	<b>\$2,611</b>	<b>\$993</b>	<b>\$7,495</b>	<b>\$11,099</b>	<b>\$2,617</b>	<b>\$1,141</b>	<b>\$7,497</b>	<b>\$11,256</b>	<b>\$2,858</b>	<b>\$991</b>	<b>\$7,880</b>	<b>\$11,729</b>

\*See notes at the end of the chapter.

## Children's Health Insurance Block Grants

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**Connecticut:** CHIP appropriation is “gross funded” -- federal funds are deposited directly to the State Treasury. Connecticut’s FMAP is currently at 65% of CHIP benefit costs.

**Maine:** Data for the fiscal 2012 amount includes Medicaid expansion of \$17.2 million federal, \$6.0 million state, CHIP of \$9.4 million federal, \$3.2 million state, and administrative expenditures of \$2.7 million federal, \$1.0 million. Data for the fiscal 2013 amount includes CHIP of \$10.2 million federal, \$3.6 million state, and administrative expenditures of \$1.5 million federal, \$.6 million state. Data for the fiscal 2014 amount includes CHIP of \$9.4 million federal and \$3.4 million state.

**Maryland:** The CHIP figures for this year are slightly higher due to CHIP expenditures being accounted for in all State agencies, not just the Medical Care Programs Administration.

**Michigan:** Prior to January 2010, Child Health Insurance expenditures were for the traditional SCHIP program for children (“MiChild”) and for the Adult Benefits Waiver (ABW). ABW is a program to provide health care to childless adults using

SCHIP funding. As of January 1, 2010, the ABW program was converted to a Medicaid (Title XIX) financed program. Fiscal 2012 through fiscal 2014 expenditures reflect MiChild expenditures only.

**Nevada:** CHIP medical expenditures are included in Medicaid totals. Starting in 2014, CHIP staff is included in All Other Expenditures. Before 2014, CHIP staff was included in Medicaid totals as well.

**New Jersey:** Beginning in FFY14, CHIP parents were moved to Medicaid (Title XIX).

**Oregon:** The general fund is -\$3 million for SFY 2013. This is the result of the fiscal 11-13 biennial adjustment and the Tobacco Tax application that was applied at the end of the biennium.

**Tennessee:** Tennessee began receiving funds for the Child Health Insurance Block Grant in fiscal 2007.

**Wisconsin:** The actuals for fiscal 2012 and fiscal 2013 have been changed from previous submittals.

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

Region/State	Actual Fiscal 2012			Actual Fiscal 2013			Estimated Fiscal 2014		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
<b>NEW ENGLAND</b>									
Connecticut	\$135	\$0	\$135	\$142	\$0	\$142	\$141	\$0	\$141
Maine	50	0	50	51	0	51	54	0	54
Massachusetts	0	0	0	0	0	0	0	0	0
New Hampshire	34	0	34	35	0	35	32	0	32
Rhode Island	47	0	47	50	0	50	51	0	51
Vermont	24	0	24	26	0	26	26	0	26
<b>MID-ATLANTIC</b>									
Delaware	15	0	15	15	0	15	14	0	14
Maryland	117	0	117	123	0	123	127	0	127
New Jersey	335	0	335	348	0	348	345	0	345
New York	818	0	818	1007	0	1007	949	0	949
Pennsylvania	486	0	486	511	0	511	527	0	527
<b>GREAT LAKES</b>									
Illinois	473	0	473	466	0	466	459	0	459
Indiana	92	0	92	102	0	102	106	0	106
Michigan	178	0	178	187	0	187	186	0	186
Ohio	262	0	262	293	0	293	296	0	296
Wisconsin	160	0	160	160	0	160	178	0	178
<b>PLAINS</b>									
Iowa	80	0	80	85	0	85	88	0	88
Kansas	4	51	55	0	58	58	5	52	57
Minnesota	173	0	173	182	0	182	182	0	182
Missouri	186	0	186	193	0	193	200	0	200
Nebraska	47	0	47	51	0	51	52	0	52
North Dakota	12	1	13	14	1	15	14	1	15
South Dakota	15	0	15	16	0	16	18	0	18
<b>SOUTHEAST</b>									
Alabama	15	52	67	9	59	68	42	25	67
Arkansas	39	3	42	41	3	44	44	4	48
Florida	441	0	441	486	0	486	501	0	501
Georgia	142	0	142	133	0	133	131	0	131
Kentucky	0	78	78	0	86	86	0	93	93
Louisiana	91	0	91	105	0	105	115	0	115
Mississippi	43	0	43	49	0	49	49	0	49
North Carolina	212	0	212	282	0	282	268	0	268
South Carolina	73	0	73	80	0	80	80	0	80
Tennessee	164	0	164	170	0	170	168	0	168
Virginia	191	0	191	192	0	192	192	0	192
West Virginia	34	0	34	36	0	36	37	0	37
<b>SOUTHWEST</b>									
Arizona	100	0	100	81	0	81	86	0	86
New Mexico	24	0	24	25	0	25	26	0	26
Oklahoma	75	0	75	78	0	78	77	0	77
Texas	343	0	343	376	0	376	369	0	369
<b>ROCKY MOUNTAIN</b>									
Colorado	63	31	94	52	50	102	67	39	106
Idaho	23	0	23	23	0	23	23	0	23
Montana	15	0	15	16	0	16	16	0	16
Utah	29	0	29	28	0	28	29	0	29
Wyoming	12	0	12	10	0	10	11	0	11
<b>FAR WEST</b>									
Alaska	22	0	22	22	0	22	29	0	29
California	1367	0	1367	1455	0	1455	1476	0	1476
Hawaii	28	0	28	33	0	33	34	0	34
Nevada	28	0	28	29	0	29	20	0	20
Oregon	71	0	71	77	0	77	65	0	65
Washington	181	0	181	188	0	188	190	0	190
<b>TOTAL</b>	<b>\$7,568</b>	<b>\$216</b>	<b>\$7,783</b>	<b>\$8,134</b>	<b>\$257</b>	<b>\$8,390</b>	<b>\$8,194</b>	<b>\$214</b>	<b>\$8,408</b>

## Methodology

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The Fiscal Year 2013 *State Expenditure Report* reflects three years of data: actual fiscal year 2012, actual fiscal year 2013, and estimated fiscal year 2014. The text of this report focuses on actual fiscal year 2013 data, with a secondary focus on estimated fiscal 2014. 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. States were asked to include spending from the *American Recovery and Reinvestment Act of 2009* (ARRA) in the federal funds totals for the seven categories. Data for each category typically include employer contributions to current employees' pensions and to employee health benefits for employees.

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, 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 and spending for school health and immunization programs.

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 cash assistance under 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, and community corrections, as well as expenditures made for juvenile correction programs. States were asked to exclude expenditures for drug abuse rehabilitation programs and institutions for the criminally insane. 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.

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.

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: corrections, environmental projects, higher

education, housing, and transportation. Capital expenditure data can be found in Chapter Eight.

Chapter Nine illustrates the major sources of state revenue including sales taxes, personal income taxes, corporate income taxes, gaming taxes, and other taxes and fees. 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 Texas, the fiscal year begins on September 1; in Alabama and Michigan the fiscal year begins on October 1; and in New York, the fiscal year begins on April 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

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**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 functions 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.







