ISSUE BRIEF

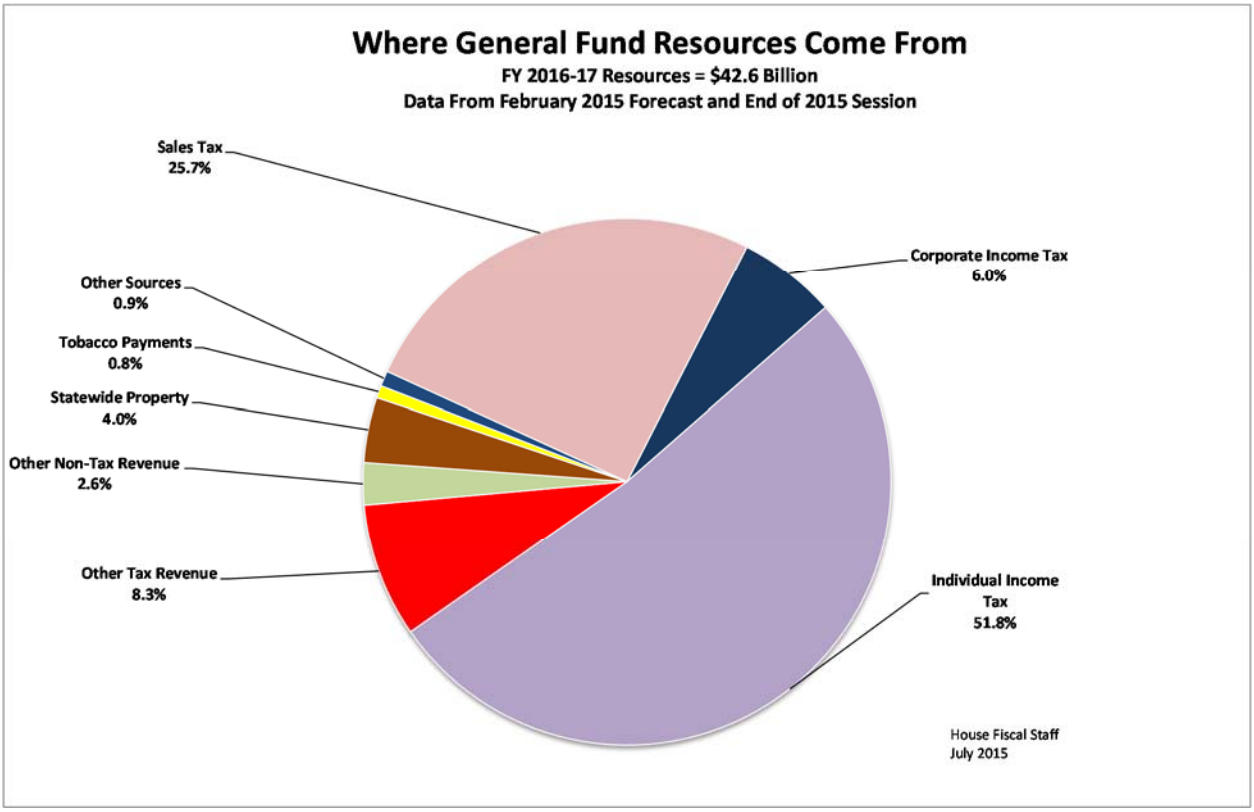
State General Fund Budget Situation
August 2015

In May and June 2015, the Legislature adopted and the Governor signed legislation to enact a budget for fiscal years 2016 and 2017.

The Current Biennium – FY 2016-17

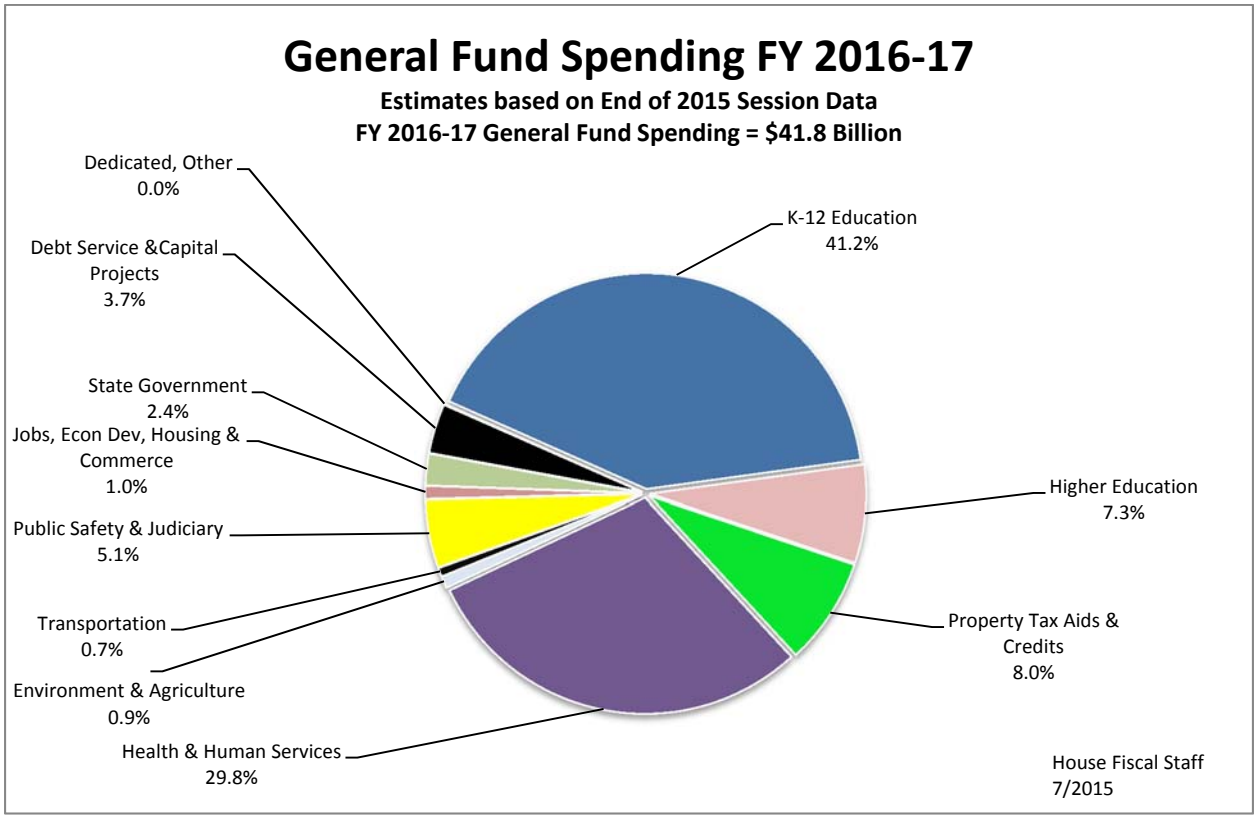
The general fund budget for fiscal years (FY) 2016-17 (the two fiscal years that make up the biennium that began July 1, 2015 and ends June 30, 2017), anticipates $42.6 billion in revenues and $41.8 billion of spending.

Major general fund revenue sources are illustrated in the graph below:



The budget reserve is at $994 million and the cash flow account is at $350 million. A budget balance of $865 million is projected for the end of the current FY 2016-17 biennium.

Major categories of general fund spending for the FY 2016-17 biennium are illustrated below:



The FY 2016-17 Budget

The state budget forecast released at the end of February 2015 projected a $1.867 billion general fund budget balance for the FY 2016-17biennium.

The 2015 Legislature increased general fund revenue for the FY 2016-17 biennium by $132 million or 0.3 percent over what it would have been in current law. Most of this revenue change was in transfers to the General Fund from other funds.

General fund revenue of $42.6 billion for the FY 2016-17 biennium is $3.190 billion or 8.1 percent higher than it was in the FY 2014-15 biennium.

General fund spending for the FY 2016-17 was increased by $705 million or 1.7 percent over the base level. The largest increase is $526 million in elementary and secondary education.

General fund spending of $41.8 billion in FY 2016-17 is $2.105 billion or 5.3 percent higher than spending in the FY 2014-15 biennium.

Unfinished business from the 2015 session that will be discussed in the 2016 session are a tax bill and a transportation funding bill.

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