

PART I – OVERVIEW OF  
STATE REVENUES AND EXPENDITURES

## OVERVIEW OF STATE OPERATING BUDGET

There are two major components to any government’s operating budget. The first is **revenue** – funds coming into government coffers. The second is **expenditures** – how the government spends its money. The appropriation process provides authority for expenditures. The table below shows all appropriations. It is important to recognize that in some cases, dollars are appropriated from one fund to another, and then to their ultimate destination. To provide a more accurate picture of total state spending, appropriations must be adjusted to count each dollar only once. Adjusted appropriations are shown excluding appropriations which are duplicative or highly restricted.

### Total State Budget: Fiscal Year 2024 Act 78 As Enacted in 2023 Session

*(further adjustments pending see JFO website for most current information)  
(\$ in millions)*

Sources of Funds	Total Approps.	Total Unduplicated	
General	2,378.9	2,378.9	27.8%
Transportation & TIB	357.3	357.3	4.2%
Education (includes net ed property tax)	2,132.7	2,132.7	24.9%
Special Funds (includes F&W, Tob. SHCRF)	541.2	541.2	6.3%
Federal	3,139.1	3,139.1	36.7%
ARPA - State Fiscal Relief & Capital	11.3	11.3	0.1%
Global Commitment	1,964.7	0.0	0.0%
Other (Transfers, Internal Service, Other funds)	333.5	0.0	0.0%
<b>Total</b>	10,858.7	8,560.4	100%
<b>Expenditures</b>			
General Gov't (Debt Serv. & Pay Act included)	467.0	252.3	2.9%
Protection to Persons and Property	500.0	472.4	5.5%
Human Services (includes Medicaid & DOC)	5,164.0	3,189.8	37.3%
Labor	59.0	58.8	0.7%
General Education (includes net ed property tax)	2,804.8	2,800.8	32.7%
Higher Education	128.8	127.9	1.5%
Natural Resources	235.2	222.0	2.6%
Commerce and Community Development	151.4	146.3	1.7%
Transportation	851.0	813.2	9.5%
ARPA - State Fiscal Relief & Capital	11.3	11.3	0.1%
Other (Onetimes and Misc)	486.3	465.6	5.4%
<b>Total</b>	10,858.7	8,560.4	100.0%

*\* ARPA - State Fiscal Relief Funds are the broad state directed funds in the federal American Rescue Plan Act passed by Congress in March 2021*

## SPENDING AUTHORITY

The General Assembly has the power to “appropriate” money that the State raises. In addition to appropriations, the General Assembly asserts control over all other funding by giving departments and agencies the authority to spend money from other sources, such as grants or federal funds. Without this authority, money cannot be spent. The State’s expenditures are primarily governed by the annual appropriations act. This act includes both appropriations and spending authority, and allocates funds from many different sources to 11 major categories of expense.

The four largest expense categories are K-12 education, including teacher retirement, (32.7%), Human Services, including Medicaid and corrections, (37.3%), Transportation (9.5 %), and Protection and Criminal Justice (5.5%).

