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[Spring 2019 Fiscal Survey of States: NASBO](#)

Governors' recommended budgets for fiscal 2020 reflect stable state fiscal conditions, calling for investments in key priorities while saving for future challenges. Proposed spending plans would increase general fund expenditures by **3.7 percent** in fiscal 2020, with **47 states** proposing spending increases and governors directing the majority of new money to education.

Other key findings from the report:

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

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