

Bond Case Briefs

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Fall 2020 Fiscal Survey of States: NASBO

With data gathered from all 50 state budget offices, this semi-annual report provides a narrative analysis of the fiscal condition of the states and data summaries of state general fund revenues, expenditures, and balances. The spring edition details governors' proposed budgets; the fall edition details enacted budgets.

Overview - Fall 2020

State general fund spending in fiscal 2021 is projected to decline for the first time since the Great Recession, based on enacted budgets. After nine consecutive years of budget growth, states saw revenue fall in fiscal 2020, and greater declines are expected in fiscal 2021. Weakening revenue projections resulting from the COVID-19 recession led states to reduce general fund spending by **1.1 percent** compared to fiscal 2020 and by **5.5 percent** compared to governors' budgets proposed before the pandemic.

Other key findings from the report:

- State general fund revenue is projected to decline by **4.4 percent** in fiscal 2021 compared to already depressed fiscal 2020 levels, or by **10.8 percent** compared to revenue projections in governors' pre-pandemic budget proposals, based on the most current estimates available when data were collected.
- Fiscal 2020 general fund revenues declined **1.6 percent** compared to fiscal 2019, or by as much as **2.9 percent** when only counting the **45 states** that operated on a July to June fiscal year. **35 states** reported general fund collections for fiscal 2020 from all sources came in lower than original budget projections.
- The tax deadline shift from April to July affected fiscal 2020 revenue collections in **19 states** that counted these delayed payments as fiscal 2021 revenue. Among these states, 17 were able to provide estimated deferral amounts totaling **\$10.2 billion**, revenue that would have otherwise been collected in fiscal 2020.
- Rainy day fund and total balances were at record highs before the pandemic hit but are now on the decline as states turn to reserves to address budget shortfalls. Total balances are already projected to decline by **\$33.3 billion** in fiscal 2021 compared to fiscal 2019 levels.
- Note: The fiscal 2021 data in this report represent a point in time, as spending and revenue projections continue to be moving targets. State-by-state data also reflect differing points in time depending on when a state enacted its budget for fiscal 2021 and how often a state revises its revenue forecast.

Downloads:

- [Summary](#)
- [Full Report](#)

