

Bond Case Briefs

Municipal Finance Law Since 1971

States Finalize Fiscal 2022 Budgets: NASBO

As of July 1, 44 states have enacted a full-year budget for fiscal 2022. States have been enacting fiscal 2022 budgets during a time when fiscal conditions continue to strengthen as the economy recovers from the pandemic and additional federal aid flows to state and local governments. As noted in NASBO's Spring [2021 Fiscal Survey of States](#), 40 out of 50 states saw revenue declines compared to pre-pandemic projections over the two-year period from fiscal 2020 to fiscal 2021. However, most states' enacted fiscal 2022 budgets include an increase in both state spending and revenue.

Forty-six states began their fiscal years on July 1. New York starts its fiscal year on April 1; Texas begins on September 1; and Alabama and Michigan start their fiscal years on October 1. Forty-eight states are enacting a new budget for fiscal 2022. Virginia and Wyoming, which both enacted two-year budgets for fiscal 2021 and fiscal 2022 in calendar year 2020, approved budget adjustments to their biennial budgets. Kentucky, which would normally have passed a two-year budget in calendar year 2020, passed a one-year budget only for fiscal 2021 due to revenue uncertainty created by COVID-19, and enacted a new budget for fiscal 2022 this year. Of the 48 states passing a new budget for fiscal 2022, 17 states are enacting a biennial budget for both fiscal 2022 and fiscal 2023.

Below is additional information on the states that have yet to enact a full-year budget for fiscal 2022:

1. **Massachusetts** - The governor signed a temporary budget for the month of July.
2. **Michigan** - The state's fiscal year does not begin until October 1. The legislature is finalizing the budget.
3. **North Carolina** - The Senate passed the budget on June 25 and the House is now considering the bill. State law allows spending to continue at current levels until a new budget is enacted.
4. **Oregon** - The governor is completing acting on agency budget bills. The state is currently operating under a continuing resolution for the unsigned bills.
5. **Rhode Island** - The House approved the budget on June 24 which is now headed to the Senate. The state will enter fiscal 2022 authorized to spend 1/12 of fiscal 2021's budget amount each month.
6. **Wisconsin** - The Senate approved the budget on June 30 and the governor is currently reviewing the budget bill. The state is operating under spending levels from the previous two-year budget cycle.

Please [click here](#) for links to proposed and enacted budgets, as well as prior budget summaries.