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Every State in the Nation has Some Form of a Budget in Place — Except Pennsylvania and Michigan

Just two states in the nation have been unable to pass some form of a budget for the 2025-26 fiscal year – and now, they're staring down significant consequences if their respective legislative bodies fail to act soon.

Pennsylvania has entered its third month without a new budget, while Michigan is just weeks away from a potential shutdown. Meanwhile, lawmakers in other states have figured out their spending plans – or contingencies. North Carolina, for example, has passed a "mini-budget" bill that prevents disruptions in state operations.

Aside from their current budget woes, the Rust Belt states mirror each other in some unique ways. Both are helmed by Democratic governors with presidential ambitions and national profiles to match in Josh Shapiro and Gretchen Whitmer. They are considered battleground states with recently redrawn legislative districts generally regarded as fairer – and that resulted in split legislatures, two of three nationally. Transportation funding has emerged as *the* sticking point in the disparate budget negotiations, for very different reasons.

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