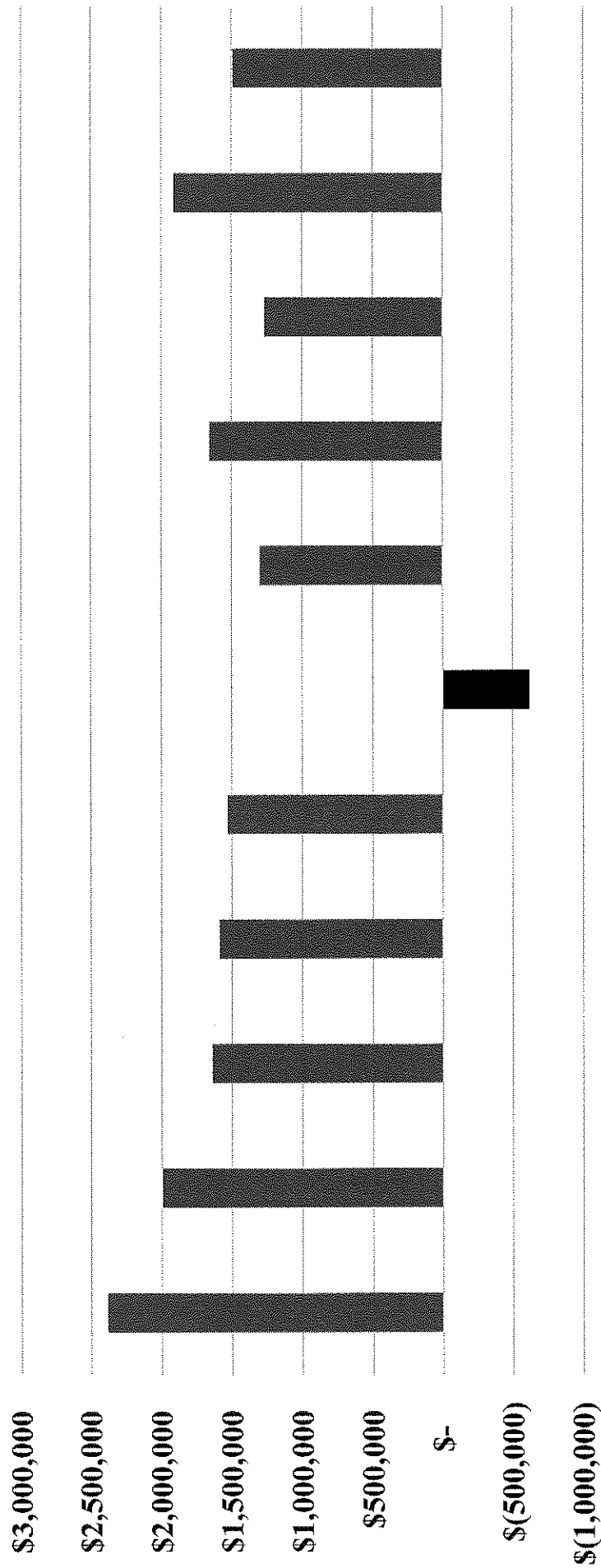


- DOA revenue estimates for the 2019-21 budget are the best in a generation.
 - State revenues have increased 25% since 2011.
- The 2018 fiscal year ending balance (\$588M) was the second highest ending balance in over 15 years.
- Since 2011, income and franchise taxes have been cut by \$3.86B. At the same time, income and franchise tax collections grew 24%.
- The GAAP deficit is down 58% since 2011.
 - GAAP deficit peaked at \$3B in 2011, Doyle's last budget.
 - Is currently \$1.25B. Lowest since 2001.
- Over the last three fiscal years, on average, state agencies annually underspent appropriated amounts by over \$1.6B all funds.
 - Underspent GPR by over \$500M annually.
- The last DHS report to JCF on Medicaid spending estimated over \$200M in GPR being unspent.
 - This underspending could increase even more over the last half of the fiscal year.

Estimated Amount Available for the Biennial Budget

(In Thousands)

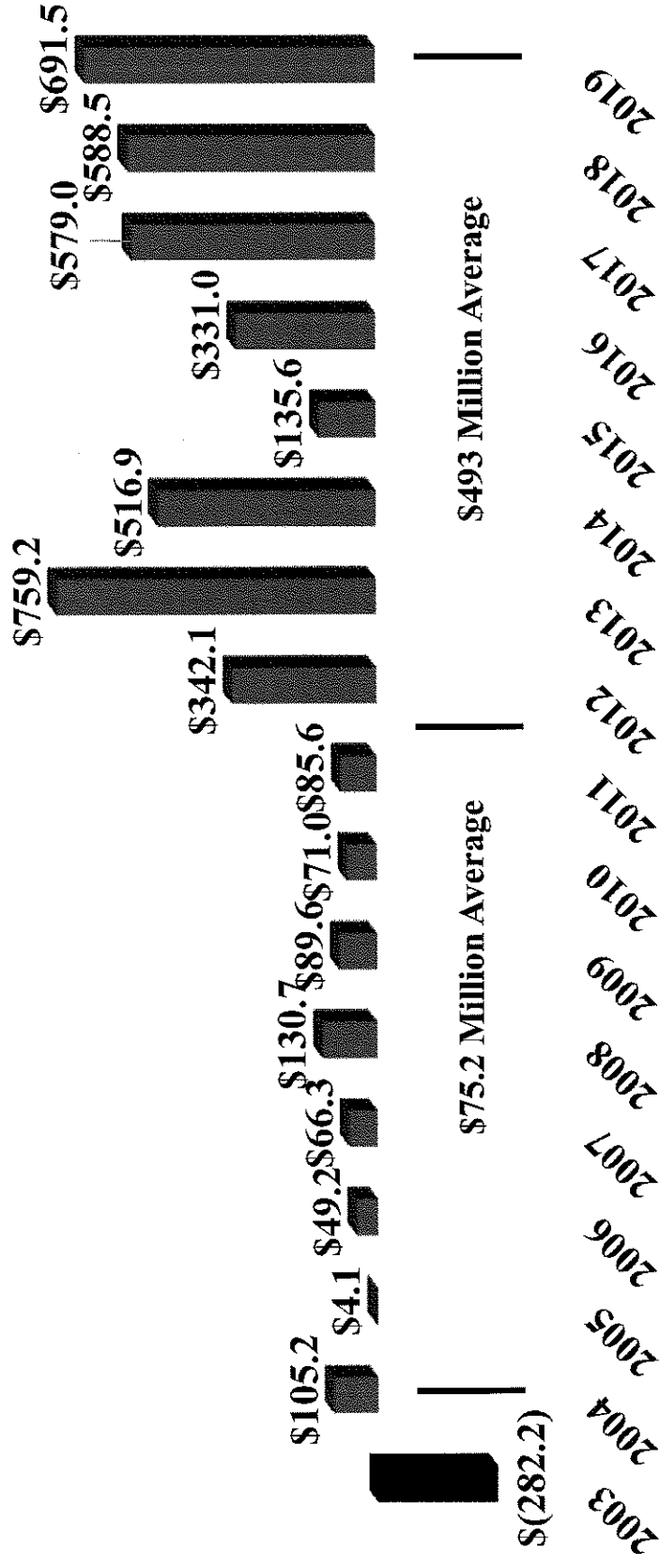


2019-21 2017-19 2015-17 2013-15 2011-13 2009-11 2007-09 2005-07 2003-05 2001-03 1999-01

Sources: January of odd year Legislative Fiscal Bureau revenue estimates and odd year gross ending balances.

2012-19 Average Ending Balances Over Six Times Larger Than Eight Years Prior

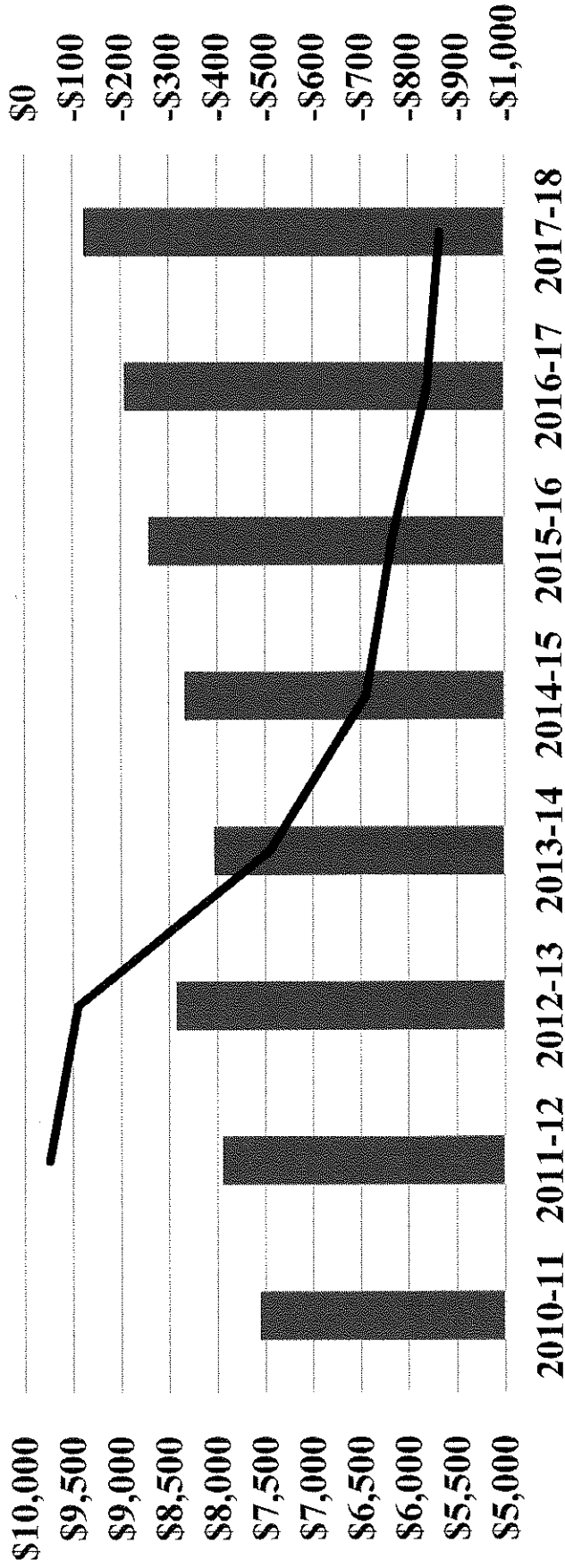
(In Millions)



Sources: State Annual Fiscal Reports and January 2019 Legislative Fiscal Bureau estimates for 2019.

Tax Relief Grows as does Income Tax Collections

Income and Franchise Tax Collections Grew 24%, Cumulative Tax Relief \$3.86 Billion
(In Millions)



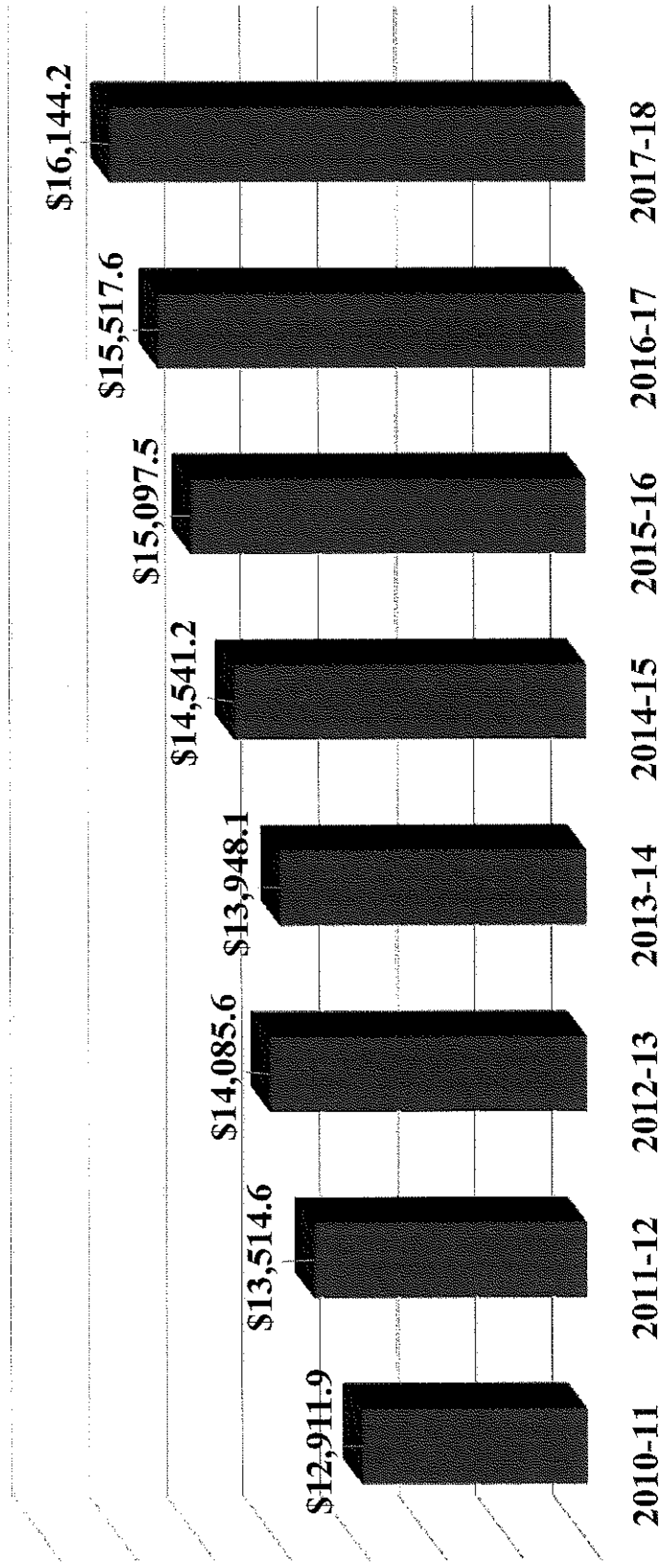
■ Income and Franchise Tax Collections — Income and Franchise Tax Relief

Sources: Legislative Fiscal Bureau informational papers and general fund tax, economic development, and property tax changes enacted since January 2011.

State Tax Revenues Increased 25% Since 2011

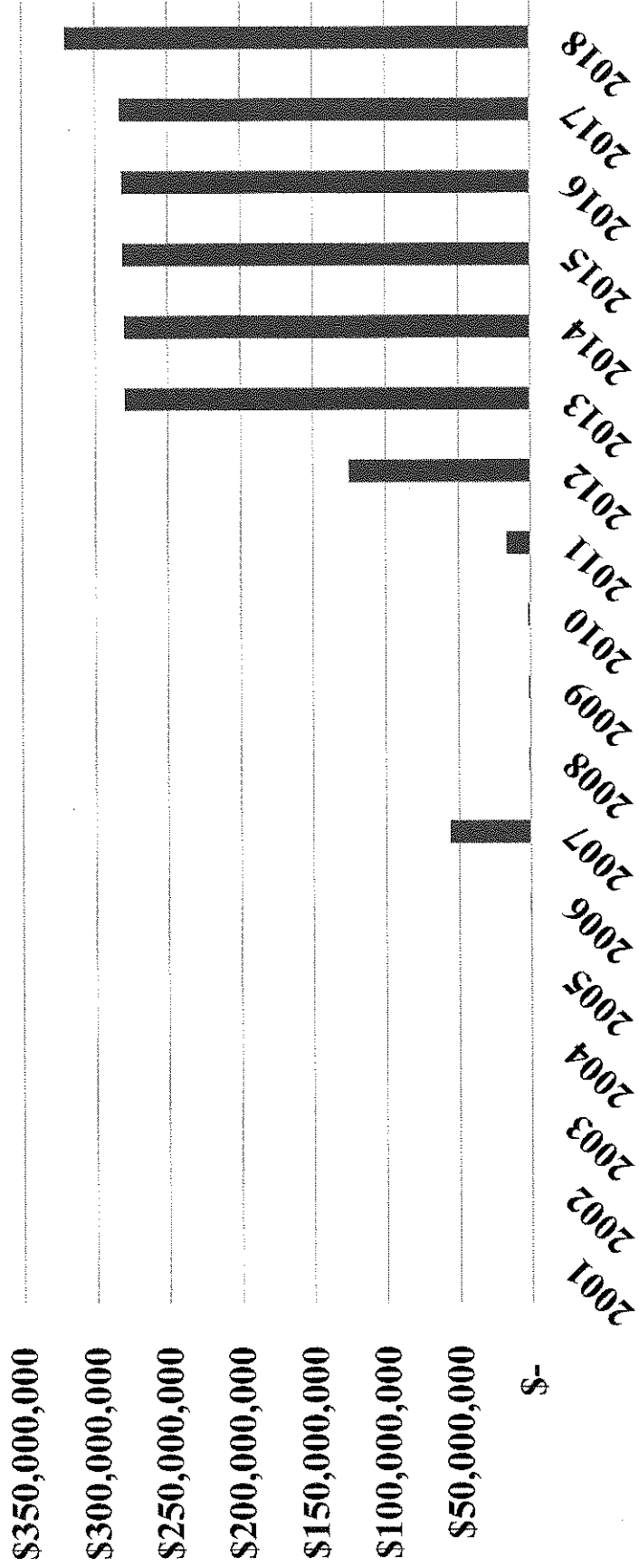
Cumulative State and Local Tax Cuts Exceeded \$8 Billion

(In Millions)



Rainy Day Fund Largest Ever

190 Times Larger than 2010



GAAP Deficit Down -58% Since 2011

Lowest Level Since 2001

(In Thousands)

