

CURRENT FISCAL YEAR

In November, the Revenue Estimating Conference met to review the state's performance up through the end of October.

**WHAT THEY FOUND:
\$487 MILLION
REVENUE SHORTFALL**

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graph TD; A["$487 MILLION REVENUE SHORTFALL"] --> B["$117 MILLION FROM LAST YEAR"]; A --> C["$370 MILLION FROM THIS YEAR"];
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**\$117 MILLION
FROM LAST YEAR**

**\$370 MILLION
FROM THIS YEAR**

**MID-YEAR BUDGET CUTS ATTEMPTED
TO SOLVE THIS SHORTFALL**

CURRENT FISCAL YEAR

**NEWLY ESTIMATED
REVENUE SHORTFALL**

**NEWLY ESTIMATED
EXPENDITURE SHORTFALL**



TOTAL ESTIMATED SHORTFALL

**IN ADDITION TO THE \$487 MILLION SHORTFALL
IDENTIFIED BY THE REC IN NOVEMBER**

*Data based on presentations to Fiscal Transition Team and consultations with economists, Senate and House Fiscal Staff, the Legislative Fiscal Office, and the Division of Administration Office of Planning and Budget

CURRENT FISCAL YEAR

REASONS FOR REVENUE SHORTFALL

- **DROP IN OIL PRICES**
- **SLUMP IN CORPORATE INCOME TAXES**
- **SLOWING IN COLLECTION OF SALES TAXES**

MAJOR EXPENDITURE SHORTFALLS

\$250 MILLION

MEDICAID EXPENSES

\$20 MILLION

MFP PAYMENTS

\$21 MILLION

TOPS PROGRAM

\$3 MILLION

STATE PRISONER HOUSING

*Data based on presentations to Fiscal Transition Team and consultations with economists, Senate and House Fiscal Staff, the Legislative Fiscal Office, and the Division of Administration Office of Planning and Budget

2016-2017 FISCAL YEAR

\$1.3 BILLION

CURRENT PROJECTED REVENUE OVER EXPENDITURES SHORTFALL

+

\$600 MILLION

PROJECTED REVENUE SHORTFALL



\$1.9 BILLION

TOTAL ESTIMATED SHORTFALL

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CURRENT FISCAL YEAR

OUR PROBLEM IS TOO BIG TO CUT OUR WAY OUT

ESTIMATED SHORTFALL IS EQUAL TO THE ENTIRE STATE GENERAL FUND BUDGET FOR HIGHER EDUCATION:



THE RAINY DAY FUND HAS INSUFFICIENT FUNDS TO SOLVE THE PROBLEM:



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