
**Report on Estimated
Receipts and Disbursements
State Fiscal Years 2021-22 through 2023-24**



OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

November 2021

I. Overview

This Report on Estimated Receipts and Disbursements for State Fiscal Year (SFY) 2021-22 through SFY 2023-24, issued pursuant to Section 23 of the State Finance Law, is intended to enhance analysis and discussion of the State's economic condition and the State Budget.

The Office of the State Comptroller (OSC) estimates that the State's tax revenues will increase by 22.2 percent or \$18.3 billion in SFY 2021-22 from the previous year. Tax revenues are projected to grow by 4.7 percent in SFY 2022-23, and to increase by 3.2 percent in SFY 2023-24.

OSC's projections for All Funds tax receipts are \$3.5 billion higher than estimates from the Division of the Budget (DOB) for SFY 2021-22, \$606 million lower in SFY 2022-23 and \$174 million higher in SFY 2023-24. These and other comparisons to DOB projections in this report are based on DOB's projections from the Mid-Year Update to the FY2022 Financial Plan issued in October 2021. Projections for total All Funds receipts, which include tax receipts, miscellaneous receipts and federal grants, are similarly higher.

Projections of tax receipts in this report reflect factors including actual tax receipts through September, which were \$7.2 billion higher than initial projections made in the FY2022 Enacted Budget Financial Plan released in May 2021. Revenue projections are inherently subject to a variety of risks. While the OSC considers the revenue projections in this report reasonable and appropriate based on currently available information, uncertainty regarding the national and New York State economies is such that somewhat higher or lower projections may also be considered reasonable.

Stimulus and relief actions by the federal government have played an important role in preventing more severe economic and human impacts from the COVID-19 pandemic, but there is risk going forward as fiscal and monetary relief winds down. Also, the condition of the U.S. economy will be heavily influenced by the continued course of the COVID-19 pandemic and responses to it, continued supply chain disruptions, accelerating inflation or other conditions that may slow growth or produce another downturn. Projections in this report do not reflect the impacts from any economic disruption; in such an event, tax revenues could fall substantially below these estimates.

The OSC's estimates for All Funds disbursements are \$88 million lower than estimates from DOB for SFY 2021-22, \$98 million lower in SFY 2022-23 and \$106 million lower in SFY 2023-24, based on DOB's most current projections from the Mid-Year Update.

Background: “Quick Start” Financial Information Review Process

The State Finance Law requires the staffs of the Governor, the Temporary President of the Senate, the Speaker of the Assembly and the Comptroller to prepare and make available by November 5 of each year separate reports detailing estimates of “state receipts and state disbursements for the current and ensuing fiscal years.”¹ OSC interprets this provision as requiring estimates for the current and the next two fiscal years.

The receipts forecast must include, but is not limited to, estimates of tax collections on an All Funds basis, lottery receipts and General Fund miscellaneous receipts. The disbursements forecast is required to include, but is not limited to, estimates for spending on Medicaid, public assistance, and elementary and secondary education (School Aid). The underlying factors and data upon which the disbursement estimates are based must be included as well. For purposes of providing estimates and projections on an All Funds basis, OSC’s figures reflect DOB’s projections for federal receipts and disbursements (except with respect to disbursements for public assistance).

By November 15, the Governor, the Temporary President of the Senate and the Speaker of the Assembly are directed to prepare jointly and make available on their respective websites a report on the actual, estimated and projected State receipts and disbursements for the prior, current and ensuing fiscal years.

The statute also requires a public meeting of the staffs of the Governor, the Temporary President of the Senate, the Speaker of the Assembly and the Comptroller to be held on or before November 15 to review financial information jointly, including the economic outlook, receipt forecasts, projected disbursements, and the impact of relevant State and federal statutory provisions on the State’s Financial Plan, to facilitate the timely adoption of a State Budget for the next fiscal year.

Office of the State Comptroller’s Estimates for Receipts and Disbursements

OSC maintains extensive data on receipts and disbursements, which reflect the flow of revenues and expenditures through New York’s Statewide Financial System (SFS), on which it issues monthly reports. OSC’s estimates are based on analysis of such data, along with projections by DOB, recent and projected economic indicators and other information. Unless otherwise indicated, all projections reflect comparisons to the prior fiscal year.

Figures 1 and 2 below summarize OSC’s estimates compared to DOB’s estimates for receipts and disbursements as contained in the Mid-Year Update. This Office’s estimates for All Funds receipts and disbursements reflect a variety of factors, including current law that provides for caps on growth in Medicaid and School Aid spending. Estimates for State Operating Funds are also provided in the Appendix because the statutory cap on Medicaid disbursements applies to disbursements from that fund category.

¹ See Section 23(5) of the State Finance Law.

Figure 1
Actual and Estimated Receipts and Disbursements, All Funds
SFY 2020-21 through SFY 2023-24
(in millions of dollars)

	<u>2020-21</u>	<u>2021-22</u>	<u>Growth</u>	<u>2022-23</u>	<u>Growth</u>	<u>2023-24</u>	<u>Growth</u>
Receipts							
Office of the State Comptroller	191,300	224,057	17.1%	208,810	-6.8%	207,073	-0.8%
Division of the Budget	<u>191,300</u>	<u>220,587</u>	<u>15.3%</u>	<u>209,416</u>	<u>-5.1%</u>	<u>206,899</u>	<u>-1.2%</u>
Difference	-	3,470		(606)		174	
Disbursements							
Office of the State Comptroller	186,587	210,421	12.8%	204,615	-2.8%	204,227	-0.2%
Division of the Budget	<u>186,587</u>	<u>210,509</u>	<u>12.8%</u>	<u>204,713</u>	<u>-2.8%</u>	<u>204,333</u>	<u>-0.2%</u>
Difference	-	(88)		(98)		(106)	

Sources: Office of the State Comptroller, Division of the Budget

Figure 2
Actual and Estimated Receipts and Disbursements, State Operating Funds
SFY 2020-21 through SFY 2023-24
(in millions of dollars)

	<u>2020-21</u>	<u>2021-22</u>	<u>Growth</u>	<u>2022-23</u>	<u>Growth</u>	<u>2023-24</u>	<u>Growth</u>
Receipts							
Office of the State Comptroller	106,370	117,179	10.2%	121,321	3.5%	124,109	2.3%
Division of the Budget	<u>106,370</u>	<u>113,735</u>	<u>6.9%</u>	<u>121,950</u>	<u>7.2%</u>	<u>123,957</u>	<u>1.6%</u>
Difference	-	3,444		(629)		152	
Disbursements							
Office of the State Comptroller	104,207	112,969	8.4%	116,184	2.8%	121,442	4.5%
Division of the Budget	<u>104,207</u>	<u>113,057</u>	<u>8.5%</u>	<u>116,282</u>	<u>2.9%</u>	<u>121,548</u>	<u>4.5%</u>
Difference	-	(88)		(98)		(106)	

Sources: Office of the State Comptroller, Division of the Budget

See the Appendix for more detailed estimates for All Funds and State Operating Funds.

II. Economic Overview

National Economy

While the recession brought about by the COVID-19 pandemic was the deepest since 1947, it was also the shortest, lasting only two months.² Economic growth, as measured by the real Gross Domestic Product (GDP), remained strong in the first half of 2021, returning to its pre-pandemic level in the second quarter. However, national economic growth slowed in the third quarter due to supply chain issues and a surge in COVID-19 cases over the summer which dampened consumer spending. However, this slowdown is expected to be short-lived, with stronger growth projected in the fourth quarter. Overall, the national economy is estimated to expand by 5.4 percent for the year. In 2022, although still above pre-pandemic rates, growth in real GDP is projected to slow, increasing by 4.3 percent.³

By January 2021, the nation had recovered 56 percent of the 22.4 million jobs lost during the economic shutdown. Through September, 17.4 million, or 78 percent, had returned. While employment for the entire year is estimated to increase by 2.6 percent, it will still be below pre-pandemic levels; full recovery is not expected until the third quarter of 2022.

The January unemployment rate was 6.3 percent, down from the high of 14.8 percent in April 2020. By September 2021, it was 4.8 percent. Unemployment is estimated to continue to decline slowly to reach 4.6 percent by the end of the fourth quarter. With employment gains anticipated for 2022, the unemployment rate is projected to fall to 4.1 percent.

According to the U.S. Bureau of Labor Statistics, average weekly wages for all private sector employees increased by 3.4 percent from December 2020 to September 2021. For all employees, wages are estimated to increase by a robust 8.0 percent in 2021, with a slight deceleration to 7.3 percent in 2022.

New York State Economy

Through September 2021, the State recovered over 1.1 million, or 56 percent, of the nearly 2.0 million jobs it lost in March and April of 2020. However, no industry in the State has returned to its pre-pandemic employment levels. While the leisure and hospitality industry recovered the greatest number of jobs, 344,800, manufacturing regained the highest share, 74 percent. For all of 2021, employment is estimated to have increased by 1.7 percent, slower than the estimated growth of 2.6 percent nationally.

According to the Quarterly Census of Employment and Wages, total wages paid in the first quarter of 2021 were 0.5 percent lower than those for the same quarter in 2020. However, average wages paid in that quarter were 10.4 percent higher, bolstered by increased bonus

² National Bureau of Economic Research, <https://www.nber.org/research/business-cycle-dating>.

³ For purposes of this report, projections of economic variables and events are primarily drawn from the IHS Markit Macroeconomic Forecast, October 2021.

payments paid in the finance and insurance industry within that quarter. IHS Markit estimates overall wage growth in 2021 at 8.2 percent, after declining by 1.1 percent in 2020.

Job growth in New York is projected to accelerate more quickly than nationally in 2022 with a gain of 5.1 percent. Even with this increased growth, employment in New York is not anticipated to fully recover to its pre-pandemic levels until the end of 2025. Wages are projected to increase by 7.2 percent in 2022, more slowly than in 2021.

Personal income in 2020 and 2021 was impacted by three of the federal economic stimulus programs relating to the global pandemic. The growth of 5.8 percent in 2020 included two economic impact payments, also known as “stimulus checks,” as well as the enhanced unemployment benefits. Excluding current transfer receipts (where these benefits are included), personal income in New York in 2020 would have declined by 1.2 percent.

For 2021, estimated personal income growth of 5.2 percent reflects a third stimulus check, the continuation of enhanced unemployment benefits, as well as the increased child tax credits that were issued as advance payments beginning in July. The increase is also augmented by strong wage growth as well as an increase of 1.9 percent in non-wage income, such as that from investments and earnings of self-employed individuals.

With the absence of the federal stimulus benefits, personal income is estimated to be relatively flat in 2022, increasing by just 0.1 percent. However, non-wage income is projected grow at a faster rate than in 2021, 2.7 percent.

Figure 3 presents selected national and State economic indicators through 2024.

Figure 3
Selected Economic Indicators
(Percentage Change)

UNITED STATES					
	2020	2021	2022	2023	2024
Real GDP	(3.4)	5.4	4.3	2.8	2.7
Employment	(5.7)	2.6	3.6	1.9	1.0
Wages	1.3	8.0	7.3	5.7	5.1
Personal Income	6.5	6.4	0.6	5.1	5.3
NEW YORK					
Employment	(10.3)	1.7	5.1	2.6	1.0
Wages	(1.1)	8.2	7.2	6.0	4.9
Personal Income	5.8	5.2	0.1	5.0	5.1

Source: IHS Markit, October 2021 U.S. and Regional Macroeconomic Forecast
Note: 2020 statistics are actual results, while those for all other years are projections.

III. Receipts

Overview

This section of the report includes the Office of the State Comptroller's estimate of All Funds tax receipts through the end of the current fiscal year, as well as projections for SFYs 2022-23 and 2023-24.

This forecast is consistent with a national economy that is projected to increase by 5.4 percent in the current calendar year with more moderate growth of 4.3 percent and 2.8 percent in the next two years, respectively. Numerous variables affect the national and State economies, increasing the difficulty of forecasting tax collections. These factors include not only traditional influences such as trends in employment and wages, but also changes in tax rates and taxpayer behavior in response to those changes. As a result, the State's actual tax revenues could deviate from these estimates and from those of DOB. Close monitoring is critical to identify deviations in a timely way so that corrective actions can be taken, if necessary.

In SFY 2020-21, All Funds tax receipts totaled \$82.4 billion, a decrease of 0.6 percent from the previous year. OSC estimates total tax receipts in SFY 2021-22 will increase by 22.2 percent, or \$18.3 billion, to \$100.7 billion. OSC's projection of tax receipts for the current fiscal year is \$3.5 billion above the projection in the FY2022 Mid-Year Update to the Financial Plan issued by DOB at the end of October. This variance reflects factors including actual tax receipts through September that were \$13.4 billion or 33.9 percent above SFY 2020-21 collections, and expectations that receipts from most tax categories during the remainder of the fiscal year will be higher than DOB projections.

While tax receipts in the first half of the fiscal year are generally influenced by strong collections from the filing of annual personal income tax returns, receipts in the second half typically benefit from factors including holiday sales, bonus payments in the finance and insurance sector, and prepayments for business taxes. Tax collections to date have benefitted from the continued economic recovery, gains in employment, and strong stock market performance. Bolstering these receipts further are increased tax rates under the personal income and corporate franchise taxes included in the SFY 2021-22 Enacted Budget. As a result, total personal income tax (PIT) collections are estimated to increase by 23.1 percent, while those for business and consumption taxes are anticipated to increase by a combined 22.0 percent.

In SFY 2022-23, tax collections are projected to increase by a more modest 4.7 percent. This increase reflects expectations of slightly slower growth in the overall economy as well as less robust increases in the equities markets. Strong economic growth and stock market performance and increased tax rates in 2021 augment projected PIT collections in SFY 2022-23 through their impacts on payments made with the filing of annual tax returns in 2022.

For SFY 2023-24, tax collections are projected to grow by 3.2 percent, a deceleration that reflects continued economic expansion partially offset by the expiration of the higher corporate franchise tax rates at the end of 2023.

Specific figures on projected receipts and comparisons to DOB projections appear in the Appendix.

Personal Income Tax

PIT receipts are estimated to increase by \$12.7 billion, or 23.1 percent, in SFY 2021-22 to \$67.6 billion. This reflects not only increased employment and wages throughout the year, but also the increased tax rates on high-income taxpayers.

Withholding tax collections in SFY 2021-22 are estimated to increase by 14.5 percent, primarily due to increases in employment and wages, as well as stronger bonus payments to be paid at the end of the fiscal year. Collections from estimated payments and final returns in the current fiscal year are expected to increase by 31.7 percent, or \$6.3 billion, from SFY 2020-21. This reflects strong receipts from the filing of 2020 annual returns and increased quarterly payments due to growth in non-wage income.⁴

In SFY 2022-23, PIT collections are projected to increase by \$3.9 billion, or 5.8 percent. While some of this growth is due to the continued recovery of the labor market and increased wages, it is also enhanced by increased payments made with the filing of 2021 annual returns. These larger payments relate to income growth in the 2021 tax year not accounted for under tax collections made throughout the year, as well as the impact of the higher tax rates on this income.

In SFY 2023-24, PIT collections are projected to increase by \$3.3 billion, or 4.6 percent, reflecting increased withholding collections, as employment is estimated to edge closer to its pre-pandemic level and wages continue to grow.

Consumption and Use Taxes

Consumption and use tax receipts are estimated to increase by \$2.7 billion, or 16.7 percent, in SFY 2021-22 to \$18.8 billion. This increase encompasses an 18 percent increase in the sales tax, the largest source of collections in this category, resulting from the continued opening of businesses, especially those in the food services industry, as compared to the prior fiscal year. With inflation estimated at 4.3 percent for 2021, higher prices also contribute to higher collections. In addition, increased travel and the gradual return of workers to the office help increase collections of transportation-related taxes in this category, such as those for motor fuel and auto rentals.

For SFY 2022-23, collections from consumption and use taxes are projected to increase by 3.1 percent, similar to historical growth rates. Growth of 3.4 percent in sales taxes reflect a lower rate of inflation relative to the prior year, as well as a slower increase in personal consumption. Collections in this category also benefit from the first year of receipts from taxes associated with the legalization of adult-use cannabis, but are partially offset by the continued decline in cigarette and tobacco taxes. In SFY 2023-24, consumption and use tax collections are projected to grow 1.4 percent, as both personal consumption and inflation are anticipated to slow.

⁴ Non-wage income includes investment income such as dividends and interest as well as income earned by sole proprietorships and partnerships.

Business Taxes

Business tax receipts are estimated to increase by \$2.8 billion, or 31.7 percent, in SFY 2021-22 to \$11.6 billion. This growth is primarily the result of strong corporate profit growth accompanied by the increased corporate franchise tax rates. In addition, higher oil prices and increased motor fuel consumption are anticipated to result in a 10.4 percent increase in petroleum business taxes.

In SFY 2022-23, business tax receipts are projected to continue to increase, but at a slower rate of 1.2 percent, or \$139 million. This reflects a slower growth in corporate profits and no additional collections under the repealed bank tax. Business tax receipts are projected to decline in SFY 2023-24 by \$203 million or 1.7 percent, primarily due to the expiration of the increased corporate franchise tax rates at the end of 2023.

Other Taxes

Other Tax receipts are estimated to increase by \$174 million, or 7.0 percent, in SFY 2021-22 to \$2.7 billion. While estate taxes benefit from the growth in the equities markets as well as home prices, they are projected to decline from SFY 2020-21 due to an expected decline in the number of very large estates with a tax liability over \$25 million. However, receipts from real estate transfer taxes are projected to increase by 41.7 percent as a result of both higher home sales and home prices.

In SFY 2022-23, Other Tax collections are projected to increase by \$81 million, or 3.0 percent. This growth reflects slightly higher estate tax collections as household net worth is projected to continue to rise. A continued increase in home prices will more than offset a slowdown in sales resulting in higher real estate transfer taxes.

In SFY 2023-24, collections are projected to increase by \$35 million, or 1.3 percent. This increase reflects continued growth in both estate and real estate transfer taxes.

All Funds Miscellaneous Receipts, Including Lottery

Miscellaneous receipts include fees, fines, reimbursements, bond proceeds from public authorities, Lottery revenues, payments from settlements and interest on State investments.

General Fund miscellaneous receipts are estimated to decline by \$5.7 billion or 76 percent to \$1.8 billion in SFY 2021-22. This primarily reflects the receipt of \$4.5 billion in proceeds from short-term notes issued for cash flow needs in SFY 2020-21 (which were repaid with \$4.4 billion before the end of the fiscal year).⁵ The General Fund also received \$600 million in monetary settlements in SFY 2020-21 and no extraordinary monetary settlements are expected in SFY 2021-22. Miscellaneous receipts in the General Fund are anticipated to decline by 2.8 percent or \$50 million in SFY 2022-23. Miscellaneous receipts are anticipated to increase by 2.5 percent or \$44 million in SFY 2023-24.

Lottery revenues for education (not including administration) from traditional games are expected to increase by 7.3 percent to \$2.6 billion in SFY 2021-22, and revenues from video

⁵ The General Fund received \$4.5 billion in proceeds, including \$118 million of note premium.

lottery terminals (VLTs) are expected to also increase 97.6 percent to \$755 million. Both sources were significantly affected by pandemic shutdowns in SFY 2020-21. Total Lottery receipts are projected to rebound to \$4.2 billion in SFY 2022-23 and then slightly decrease to \$4 billion in SFY 2023-24. DOB projects revenue for education from commercial casinos will total \$133 million in SFY 2021-22, increasing to \$139 million in SFY 2023-24.

All Funds estimates for miscellaneous receipts in SFY 2021-22 total \$25.8 billion (most of which is initially collected outside the General Fund), representing a decrease of \$4.9 billion or 16.1 percent, primarily because of impact of the short-term borrowing.

All Funds miscellaneous receipts are projected to increase by \$422 million or 1.6 percent in SFY 2022-23. Miscellaneous receipts are anticipated to decline by 0.4 percent or \$117 million in SFY 2022-23. Factors that may change such projections include the possibility of additional monetary settlements as well as variances in reimbursements from bond proceeds, in part impacted by the amount of bonds issued.

Federal Receipts

Federal grants support State spending for Medicaid, transportation, education, public health, and environmental and energy programs, as well as other activities. In SFY 2020-21, federal grants included funding for pandemic-related costs totaling \$11.8 billion. Between SFY 2020-21 and SFY 2024-25, DOB anticipates at least \$54 billion in federal pandemic assistance with the potential for more if the pandemic emergency is extended.

In SFY 2021-22, federal receipts are projected to increase by \$19.4 billion, or 24.8 percent, from SFY 2020-21 to \$97.5 billion. DOB projects federal receipts will decline nearly \$20.4 billion or 20.9 percent in SFY 2022-23 and will fall a further \$5.2 billion or 6.8 percent in SFY 2023-24. There is inherent risk in projections associated with service-related spending such as Medicaid and public assistance that may also affect federal reimbursement.

IV. Disbursements

Overview

This report's forecasts for disbursements for SFY 2021-22 through SFY 2023-24 rely on a variety of data sources, including receipt and disbursement data from New York's Statewide Financial System (SFS) and information from State agencies, including the State Education Department (SED), DOB, the Department of Health (DOH), the Department of Labor (DOL), and the Office of Temporary and Disability Assistance (OTDA).

The SFY 2021-22 Enacted Budget – like the prior year's – included appropriations intended to reflect two years' worth of spending in Medicaid. The Budget also extended through SFY 2022-23 statutory limits on future spending growth for State-funded DOH Medicaid expenditures based on the ten-year average growth in the medical component of the Consumer Price Index (CPI), and Financial Plan spending projections through SFY 2024-25 assume the cap will be extended. The statutory cap on annual School Aid increases is the ten-year average annual change in personal income beginning in School Year (SY) 2020-21.⁶ The statutory cap for education assistance has no expiration date. However, the SFY 2021-22 Enacted Budget Financial Plan assumes Foundation Aid (approximately 70 percent of School Aid) will increase by approximately \$1.4 billion annually over the next three years until formula targets are reached. As such, School Aid is expected to grow 11.3 percent in the current school year, and 8.2 and 9.3 percent in the next two school years. Pandemic-related spending also increases School Aid in the current and subsequent years. However, growth in SY 2024-25 is expected to return to historic levels and within the statutory cap.

This report provides Medicaid and School Aid spending projections from the Financial Plan, including the effect of their respective statutory spending caps. This report does not adjust for actual or planned actions that artificially and temporarily change growth rates, such as prepayments (which increase base year spending, while decreasing subsequent year spending, thus resulting in lower reported growth).

OSC estimates that Medicaid, School Aid and public assistance spending from All Funds will total \$106.3 billion in SFY 2021-22, which is \$11 billion, or 11.5 percent, higher than SFY 2020-21 levels. Spending will then grow to \$110 billion in SFY 2022-23, an increase of \$3.6 billion or 3.4 percent. It is projected to reach \$112.1 billion in SFY 2023-24, which is \$2.1 billion or 1.9 percent higher than in SFY 2022-23.

For SFY 2021-22, OSC estimates that Medicaid, School Aid and public assistance spending from State Operating Funds will total \$50.6 billion, an increase of \$3.7 billion, or 8 percent, from SFY 2020-21 levels. For SFY 2022-23, State Operating Funds spending on these items is projected to total \$56.7 billion, an increase of \$6.2 billion or 12.2 percent from SFY 2021-22, and then rise to \$61.4 billion, an increase of \$4.7 billion or 8.2 percent from the previous year.

⁶ For this purpose, personal income within New York State is measured on a State fiscal year basis.

All other State Operating Funds spending is projected to total \$62.4 billion in SFY 2021-22, an increase of \$5 billion, or 8.8 percent, compared to SFY 2020-21. All other spending includes such categories as debt service, General State Charges, Departmental Operations and local assistance grants outside of the categories listed above, as well as State funded spending for pandemic relief purposes. It also reflects certain timing-related and other actions that affect reported spending growth (such as debt service prepayments). All other State Operating Funds spending is then projected to decline \$3 billion or 4.8 percent to \$59.4 billion, but will grow in SFY 2023-24 to \$60 billion, an increase \$579 million or 1 percent.

Specific figures on projected disbursements, and comparisons to DOB projections, appear in the Appendix.

Spending Results to Date

At the mid-point of the fiscal year, spending results for SFY 2021-22 can be measured against recent history, as well as projections set forth in the Financial Plan. Actual spending through September was significantly higher than the same period a year earlier, but lower than the levels projected in the Mid-Year Update.

Through the first six months of SFY 2020-21, State Operating Funds spending totaled \$44.7 billion. Actual SFY 2021-22 State Operating Funds spending through the comparable six months totaled \$49 billion, a year-over-year increase of \$4.3 billion or 9.6 percent. To address the fiscal impacts of the COVID-19 crisis in SFY 2020-21, the Financial Plan assumed a total of \$10.1 billion in spending reductions through the year. Through September 30, 2020, DOB estimated that roughly \$2.6 billion in spending had been withheld pursuant to the budget reduction authority provided in the SFY 2020-21 Enacted Budget, the vast majority of which reduced local assistance spending. According to DOB, most of these withheld payments were disbursed in March 2021.

Spending from State Operating Funds through the first half of the fiscal year totaled \$49 billion, \$2.7 billion below the level initially anticipated and \$2.5 million below updated projections from the Mid-Year Update.

All Funds spending through the first six months totaled \$91.8 billion, \$4.7 billion or 5.3 percent higher than last year for the same period, but \$5.1 billion lower than anticipated in the Enacted Budget Financial Plan. Similar to SFY 2020-21, year-to-date spending from federal funds is significantly higher as a percentage of total spending (42 percent) as compared to recent history (average of 34.3 percent over last 10 years), primarily reflecting federal pandemic assistance, although year-to-date spending from State funds is well below initial projections.

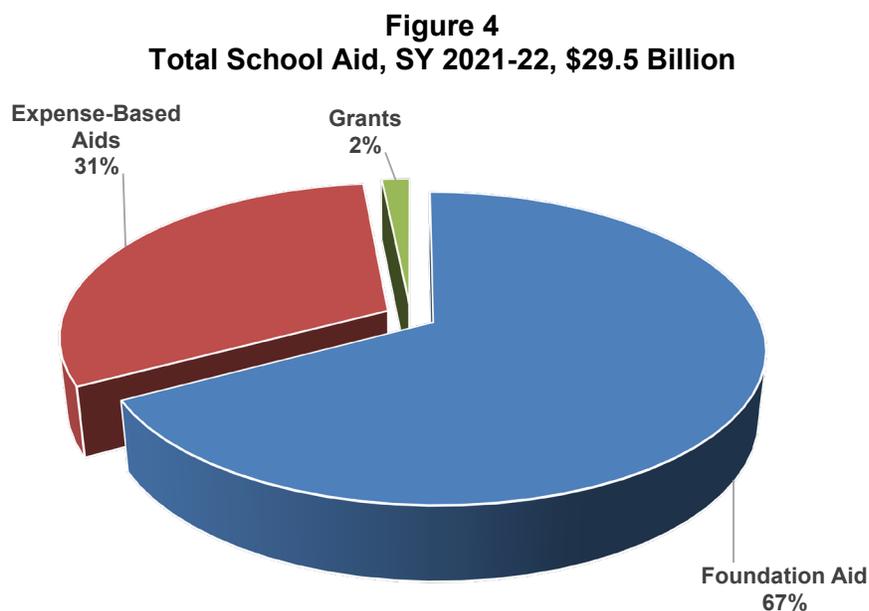
In the Mid-Year Update, DOB has adjusted the monthly cash flow figures to address actual spending but left year-end spending projections largely unchanged, meaning that spending is anticipated to increase in the second half of the year.

School Aid

Projections for School Aid reflect increases consistent with statutory spending caps and other changes included in previous budgets. State-funded spending in School Year (SY) 2020-21 totaling \$26.5 billion was supplemented by \$552 million in pandemic-related federal assistance. Federal pandemic assistance is expected to total \$3.9 billion in the current year and total \$14.7 billion between SYs 2020-21 and 2024-25.⁷

School Aid or General Support for Public Schools (GSPS) comprises a series of formulas that provide general operating support (for example, Foundation Aid) and reimbursement for a share of specific eligible expenses (for example, Building Aid or Excess Cost Aid), as well as grant programs that support specific activities for New York State's 673 school districts. Factors that can affect School Aid growth include enrollment, school district property and income wealth, student demographics, and fluctuations in claims for various supported expenses. Claims and demographic data are generally updated three times annually.⁸

Policy makers also affect annual growth in School Aid through legislative changes, which are difficult to project. School Aid is generally negotiated and legislated on a school-year basis. Because the school year begins on July 1 and ends on June 30, the State is funding portions of two school years in any given State fiscal year. Figure 4 shows the distribution of School Aid by category in the current school year.⁹



Source: New York State Education Department. Does not include federal pandemic assistance.

⁷ The Division of the Budget projects federal pandemic assistance on a State Fiscal Year basis and amounts could differ on a School Year basis. In addition, funding in SY 2024-25 requires federal action to extend authorization to spend.

⁸ Pursuant to Section 305 of the Education Law, the State Education Department provides detailed School Aid data by district three times throughout the year – February 15, May 15 and November 15. November data is typically used to calculate aid in the Executive Budget proposal and February data is typically used to calculate aid for the Enacted Budget.

⁹ The figure reflects GSPS at the time of the Enacted Budget. For the purposes of this figure, certain other operating aids, including High Tax Aid and Universal Pre-Kindergarten, have been included in "Expense-Based Aids." "Grants" consists of \$205 million in competitive grants and all non-computerized aids.

Beginning with the SFY 2020-21 Enacted Budget, the statutory cap from the prior year's growth is 4.1 percent, as calculated using quarterly measures from the Bureau of Economic Analysis. However, spending is projected to exceed the cap on annual growth in SYs 2021-22 through 2023-24 to account for planned annual Foundation Aid increases in those years. According to DOB, growth in school aid will be under the growth cap starting in SY 2024-25.

OSC has relied on estimates provided by DOB that project School Aid spending from State Operating Funds will total \$28.2 billion in SFY 2021-22, which is an increase of \$1.5 billion or 5.5 percent from SFY 2020-21. This projection equates to \$29.5 billion on a school-year basis.

OSC has relied on DOB estimates that project School Aid spending from State Operating Funds would:

- Increase to just under \$31 billion in SFY 2022-23, an increase of \$2.8 billion or 9.9 percent over SFY 2021-22. This equates to \$31.9 billion on a school-year basis.
- Increase to \$33.8 billion in SFY 2023-24, an increase of \$2.8 billion or 9.1 percent over SFY 2022-23. This equates to \$34.9 billion on a school-year basis.

Medicaid

The SFY 2021-22 Enacted Budget again includes two years' authority for Medicaid spending by DOH (including administration costs), with a specific limit in State Operating Funds spending for each year. Spending projections assume continuation of the Medicaid Global Cap.

Projections of Medicaid disbursements were complicated by developments that affected the application of the Global Cap. Some DOH State Medicaid spending is not subject to the indexed portion of the Global Cap, including a portion of funding for minimum wage increases and the State's takeover of certain local Medicaid costs, according to DOB. DOH has indicated that in certain previous years it has managed the timing of Medicaid payments across fiscal years to ensure compliance with the cap, including between SFY 2014-15 and SFY 2017-18, when such actions ranged from \$50 million to roughly \$435 million.

At the end of SFY 2018-19, DOH deferred \$1.7 billion in certain State-share Medicaid costs, including the final cycle payment to Medicaid Managed Care Organizations as well as other payments, for three business days to SFY 2019-20. In SFY 2019-20, approximately \$1.1 billion was deferred to SFY 2020-21. According to DOB, the payment deferral will continue at least through the life of the Financial Plan.

The SFY 2020-21 Enacted Budget included \$2.2 billion in Medicaid Redesign Team (MRT II) actions to address the structural imbalance in Medicaid spending. DOB then projected these actions would provide approximately \$2.7 billion in savings in subsequent years.

According to DOB, over two-thirds of the \$2.2 billion in savings actions have been implemented, with remaining actions expected to be implemented in SFY 2021-22. Statutory authority given to the Health Commissioner to reduce Medicaid spending administratively, if necessary to remain within targeted levels, expires at the end of SFY 2022-23.

DOB projects that ongoing cost-containment measures and other actions to address the imbalance in Medicaid spending will hold future spending growth to allowable increases under the DOH Medicaid Global Cap. DOB estimates allowable growth under the indexed portion of the Global Cap to be 2.9 percent in SFYs 2021-22 and 2022-23, and 2.7 percent in each of the two following fiscal years (the cap was extended through SFY 2022-23 in the SFY 2021-22 Enacted Budget).

The Medicaid disbursement estimates detailed below reflect figures provided by DOB in the Mid-Year Update, which projected Medicaid enrollment in SFY 2021-22 would reach almost 7.6 million covered individuals, representing a 7.4 percent increase from SFY 2020-21. DOH enrollment data indicate enrollment increased 4 percent between January and August 2021, compared to 7.4 percent for the same period last year. The Financial Plan currently projects enrollment will decline 16.9 percent in SFY 2022-23 to 6.3 million people. DOB projects costs will continue to increase even though enrollment is projected to decline, primarily due to continued growth in higher cost enrollees, as well as other associated costs such as increased minimum wage and aid to financially distressed hospitals. Should enrollment remain at elevated levels, the risks to the State budget are notable. For example, unanticipated gross costs of \$20.5 billion could accrue by SFY 2024-25 if no reduction in projected caseloads occurs and per-enrollee costs do not decrease, which would result in unbudgeted State costs of up to \$8.1 billion.

The federal government has increased the reimbursement rate for Medicaid costs as part of its COVID-19 response. According to DOB, enhanced reimbursement is projected to reduce State costs by \$6.4 billion over SFY 2020-21 and SFY 2021-22. Enhanced funding will remain in place through March 2022 unless emergency status is revoked before January 2022.

OSC has relied on DOB estimates projecting total DOH State Medicaid spending (including administrative costs) in SFY 2021-22 at \$21.9 billion from State Operating Funds, and \$69.9 billion from All Funds.

OSC has relied on DOB estimates that project total Medicaid spending would:

- Increase in SFY 2022-23 to \$25.3 billion from State Operating Funds (up by 15.4 percent or \$3.6 billion from the previous year) and to \$69.9 billion from All Funds (an increase of 8.1 percent or \$5.2 billion).
- Total \$27.2 billion from State Operating Funds in SFY 2023-24, a year-over-year increase of \$1.9 billion or 7.5 percent, and \$70.1 billion from All Funds, representing an increase of \$447 million or 0.6 percent.

DOB continues to use payments by tobacco manufacturers under the 1998 Master Settlement Agreement (MSA) to reduce reported Medicaid spending. MSA revenue is deposited directly to the off-budget Medicaid Management Information System Escrow Fund, where it is spent without appropriation. DOB's current projections, as detailed above, reflect this action. Reported spending in the Mid-Year Update is reduced by \$362 million annually from SFYs 2021-22 through SFY 2023-24 due to this off-budget spending.

Public Assistance

Projections of public assistance caseloads and spending are sensitive to economic fluctuations. As unemployment increases and income falls, the number of persons in need of public assistance typically increases. The current pandemic and its associated economic downturn have resulted in significant increases in public assistance caseloads in New York City. However, caseloads are not growing as rapidly in much of the rest of the State. While caseload increases in previous economic downturns have lagged employment declines, whether this history indicates that increased caseloads across the State are likely remains unclear.

While national and State unemployment rates declined in pre-pandemic years, the pandemic and associated shutdown resulted in significant increases in unemployment. After a sharp upward spike in April 2020, unemployment rates have since declined as the economy recovers, yet remain elevated from recent historical levels.

According to the federal Bureau of Labor Statistics (BLS), nearly 47.2 percent of the U.S. unemployed population (16 and older) had been out of work for 15 weeks or more as of September 2021, compared to 58.0 percent in September 2020. As of September 2021, the unemployment rate in New York on a seasonally adjusted basis was 7.1 percent.¹⁰ BLS produces a measure of labor market underutilization that includes the unemployed population counted within the official unemployment rates, marginally attached workers, as well as the number of people who are employed part-time for economic reasons.¹¹ For New York, this measure was 13.4 percent for the fourth quarter of 2020 through the third quarter of 2021, down slightly from 14.3 percent for the same period in the preceding year.¹² The measure indicates labor market underutilization higher than that shown by the commonly cited unemployment rate.

Using historical trends for unemployment and employment, as well as caseloads and spending figures contained in monthly caseload reports issued by the NYS Office of Temporary and Disability Assistance (OTDA), most recently in July 2021, OSC estimates that in SFY 2021-22, All Funds spending for public assistance will total \$1.5 billion (including \$520 million from State Operating Funds), based on caseloads of 260,804 families and 185,980 single recipients. Figure 5 provides more detailed estimates of public assistance caseloads.

For SFY 2022-23, public assistance spending from All Funds is projected to decline by \$92 million, or 5.9 percent, to \$1.45 billion (including \$492 million from State Operating Funds), based on caseloads of 248,466 families and 174,583 single recipients.

For SFY 2023-24, All Funds spending for public assistance is estimated to total \$1.4 billion (including \$476 million from State Operating Funds), a decline of \$52 million or 3.6 percent from the previous year, based on caseloads of 241,920 families and 167,615 single recipients.

¹⁰ Preliminary, New York State Department of Labor.

¹¹ Marginally attached workers are those who have looked for jobs in the last 12 months but do not believe any jobs are available. Those who work part-time for economic reasons who want a full-time job but they either have reduced hours or cannot find a full-time job.

¹² U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, available at <https://www.bls.gov/lau/stalt.htm>.

Figure 5
Comparison of Actual and Projected Caseloads:
Temporary Assistance for Needy Families (TANF), Safety Net Families and Singles

TANF Families	2020-21	2021-22	Growth	2022-23	Growth	2023-24	Growth
Office of the State Comptroller	176,537	153,419	-13.1%	144,441	-5.9%	139,721	-3.3%
Division of the Budget	<u>192,728</u>	<u>209,148</u>	<u>8.5%</u>	<u>198,646</u>	<u>-5.0%</u>	<u>188,276</u>	<u>-5.2%</u>
Difference	(16,191)	(55,729)		(54,205)		(48,555)	
Safety Net Families	2020-21	2021-22	Growth	2022-23	Growth	2023-24	Growth
Office of the State Comptroller	112,569	107,385	-4.6%	104,025	-3.1%	102,199	-1.8%
Division of the Budget	<u>125,229</u>	<u>138,784</u>	<u>10.8%</u>	<u>130,571</u>	<u>-5.9%</u>	<u>122,396</u>	<u>-6.3%</u>
Difference	(12,660)	(31,399)		(26,546)		(20,197)	
Safety Net Singles	2020-21	2021-22	Growth	2022-23	Growth	2023-24	Growth
Office of the State Comptroller	199,979	185,980	-7.0%	174,583	-6.1%	167,615	-4.0%
Division of the Budget	<u>217,838</u>	<u>210,068</u>	<u>-3.6%</u>	<u>207,482</u>	<u>-1.2%</u>	<u>208,728</u>	<u>0.6%</u>
Difference	(17,859)	(24,088)		(32,899)		(41,113)	
Total Caseloads	2020-21	2021-22	Growth	2022-23	Growth	2023-24	Growth
Office of the State Comptroller	489,085	446,784	-8.6%	423,049	-5.3%	409,535	-3.2%
Division of the Budget	<u>535,795</u>	<u>558,000</u>	<u>4.1%</u>	<u>536,699</u>	<u>-3.8%</u>	<u>519,400</u>	<u>-3.2%</u>
Difference	(46,710)	(111,216)		(113,650)		(109,865)	

Sources: Office of the State Comptroller, Division of the Budget, OTDA.

Note: SFY 2020-21 figures for Office of the State Comptroller represent actual caseloads based on OTDA data.

V. Risks

While year-to-date tax collections well exceed levels initially forecasted with the SFY 2021-22 enacted budget, and year-to-date expenditures are below forecast, the Financial Plan outlook remains subject to risks and uncertainties.

Currently, the State is enjoying a strong recovery, with economic growth anticipated to continue for the remainder of the current fiscal year and in the succeeding two years. However, there is continued risk of slowing growth or another downturn associated with a resurgence of COVID-19 due to emerging variants, continued supply chain disruptions, accelerating inflation or other economic conditions. Projections in this report do not reflect the economic or tax receipt impacts should a surge of cases or other events result in an economic disruption; such an outcome could dramatically alter this forecast and tax revenues could fall substantially below these estimates.

Stimulus and relief actions by the federal government have played an important role in preventing more severe economic and human impacts from the COVID-19 pandemic, but there is risk going forward as fiscal and monetary relief winds down. Key federal initiatives providing relief to individuals, notably emergency or extended unemployment benefits and economic impact payments, have lapsed. While economic projections incorporate this absence and anticipate flat personal income in 2022, even as wages continue to grow, demand for some pandemic relief programs may not abate and may exceed resources currently allocated. DOB estimates funds for some programs, such as the \$2.1 billion Excluded Workers Fund, are on the verge of depleting resources that were appropriated in the Enacted Budget. Rental and homeowner assistance and other pandemic relief programs could be extended or expanded; recently, the State increased its funding commitment to the rental assistance program by \$150 million, for a total State funding commitment of \$250 million. As these relief programs were funded mostly by federal dollars, pressures to extend them may necessitate allocation of State dollars and possibly the creation of new, recurring spending commitments.

Significant growth is forecast in the two largest areas of State spending: Education and Medicaid. The current trajectory of spending in these categories will place pressure on the Financial Plan, particularly as temporary federal relief wanes and tax increases enacted in the SFY 2021-22 Budget sunset at the end of 2023 (corporate franchise taxes) and 2027 (personal income taxes). A key short-term risk is in the costs associated with Medicaid. DOB projects Medicaid enrollment will return to pre-pandemic levels starting in SFY 2022-23 (an expected decline of 1.3 million enrollees, or nearly 17 percent). Such a rate of decline would be unprecedented; if it does not occur or takes longer than anticipated, the State could face billions more in unplanned costs.

The tax increases enacted in SFY 2021-22 Enacted Budget exacerbated the State's already high level of reliance on high income taxpayers. While the higher enacted PIT rates affect less than 1 percent of all taxpayers, those impacted pay over 30 percent of the liability. Concerns relate to the level of the tax rates, taxpayer response to the increases, and the volatility of the income subject to the tax. The increases to the State's top PIT rate make it third highest in the nation; when combined with New York City's top rate it results in the nation's highest marginal tax rate (14.78 percent). Nearly half of the taxpayers subject to the new rates are nonresidents

of New York and the net out-migration rate of high-income earners has been approximately 1 percent annually in the last five tax years. A continued 1 percent decrease could potentially result in a loss of \$1.1 billion in taxable income and a reduction in PIT revenues by over \$108 million, annually.¹³ In addition, this group of taxpayers is very dependent on financial markets which influence bonuses paid to high-wage Wall Street employees as well as capital gains, which history shows can be volatile. With record stock market levels in 2020, PIT collections benefitted from increased bonuses and other market-related income. However, in 2009, when the stock market, as measured by the S&P 500 dropped 22.5 percent, taxable income declined by over \$46 billion.

The State is currently in a positive fiscal position, creating an opportunity to plan for the future by bolstering rainy day fund reserves. The Mid-Year Update plans to add \$2.1 billion to statutory rainy day fund reserves, in addition to \$995 million added in the Enacted Budget Financial Plan and the First Quarter Update. If rainy day deposits projected in the Financial Plan occur, the rainy day funds will have approximately \$6.1 billion at the end of SFY 2024-25. This Office has recommended a target of at least 10 percent of General Fund receipts, estimated to be about \$10.6 billion in SFY 2024-25; reserves of this magnitude would have improved the flexibility available to weather sharp pandemic-related revenue shortfalls, as well as to address other emergencies. The Mid-Year Update indicates DOB also plans to lay aside a total of \$12.7 billion in unofficial reserves for economic uncertainties by the end of SFY 2024-25, which could bolster reserves further; however, such funds are at ongoing risk of being committed for new or increased spending obligations, which renders them less secure and dependable for long-term fiscal stability.

¹³ Estimated based on tax year 2019 personal income tax data.

Appendix - Financial Projections

Projections Based on Current Law, Including Enacted Spending Caps

Office of the State Comptroller Estimates for Receipts and Disbursements
All Funds - State Fiscal Year 2021-22
(in millions of dollars)

	<u>Office of the State Comptroller</u>	<u>Division of the Budget</u>	<u>Difference</u>
Receipts:			
Personal Income Tax	67,647	65,373	2,274
Consumer Taxes	18,803	18,525	278
Business Taxes	11,580	10,844	736
Other Taxes	2,674	2,492	182
<i>Total Taxes</i>	<u>100,704</u>	<u>97,234</u>	<u>3,470</u>
General Fund Miscellaneous Receipts	1,802	1,802	-
Lottery	3,358	3,358	-
Subtotal	105,864	102,394	3,470
Other Miscellaneous Receipts	20,665	20,665	-
Federal Grants	97,528	97,528	-
Total Receipts	<u>224,057</u>	<u>220,587</u>	<u>3,470</u>
Disbursements:			
Elementary and Secondary Education	34,935	34,935	-
DOH Medicaid (incl. administration)	69,856	69,856	-
Public Assistance	1,546	1,984	(438)
Subtotal	106,337	106,775	(438)
All Other Disbursements	104,084	103,734	350
Total Disbursements	<u>210,421</u>	<u>210,509</u>	<u>(88)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Office of the State Comptroller Estimates for Receipts and Disbursements
All Funds - State Fiscal Year 2022-23
(in millions of dollars)

	<u>Office of the State Comptroller</u>	<u>Division of the Budget</u>	<u>Difference</u>
Receipts:			
Personal Income Tax	71,567	71,669	(102)
Consumer Taxes	19,385	19,443	(58)
Business Taxes	11,719	12,450	(731)
Other Taxes	2,755	2,470	285
<i>Total Taxes</i>	<u>105,426</u>	<u>106,032</u>	<u>(606)</u>
General Fund Miscellaneous Receipts	1,752	1,752	-
Lottery	4,236	4,236	-
Subtotal	111,414	112,020	(606)
Other Miscellaneous Receipts	20,259	20,259	-
Federal Grants	77,137	77,137	-
Total Receipts	<u>208,810</u>	<u>209,416</u>	<u>(606)</u>
Disbursements:			
Elementary and Secondary Education	38,904	38,904	-
DOH Medicaid (incl. administration)	69,606	69,606	-
Public Assistance	1,454	1,898	(444)
Subtotal	109,964	110,408	(444)
All Other Disbursements	94,651	94,305	346
Total Disbursements	<u>204,615</u>	<u>204,713</u>	<u>(98)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Office of the State Comptroller Estimates for Receipts and Disbursements
All Funds - State Fiscal Year 2023-24
(in millions of dollars)

	Office of the State Comptroller	Division of the Budget	Difference
Receipts:			
Personal Income Tax	74,835	74,372	463
Consumer Taxes	19,651	19,926	(275)
Business Taxes	11,516	11,727	(211)
Other Taxes	<u>2,790</u>	<u>2,593</u>	<u>197</u>
<i>Total Taxes</i>	<i>108,792</i>	<i>108,618</i>	<i>174</i>
General Fund Miscellaneous Receipts	1,796	1,796	-
Lottery	<u>4,006</u>	<u>4,006</u>	<u>-</u>
Subtotal	114,594	114,420	174
Other Miscellaneous Receipts	20,562	20,562	-
Federal Grants	<u>71,917</u>	<u>71,917</u>	<u>-</u>
Total Receipts	<u>207,073</u>	<u>206,899</u>	<u>174</u>
Disbursements:			
Elementary and Secondary Education	40,613	40,613	-
DOH Medicaid (incl. administration)	70,053	70,053	-
Public Assistance	<u>1,402</u>	<u>1,821</u>	<u>(419)</u>
Subtotal	112,069	112,488	(419)
All Other Disbursements	<u>92,159</u>	<u>91,846</u>	<u>313</u>
Total Disbursements	<u>204,227</u>	<u>204,333</u>	<u>(106)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Office of the State Comptroller Estimates for Receipts and Disbursements
State Operating Funds - State Fiscal Year 2021-22
(in millions of dollars)

	<u>Office of the State Comptroller</u>	<u>Division of the Budget</u>	<u>Difference</u>
Receipts:			
Personal Income Tax	67,647	65,373	2,274
Consumer Taxes	18,161	17,913	248
Business Taxes	10,985	10,245	740
Other Taxes	2,555	2,373	182
<i>Total Taxes</i>	<u>99,348</u>	<u>95,904</u>	<u>3,444</u>
General Fund Miscellaneous Receipts	1,802	1,802	-
Lottery	<u>3,358</u>	<u>3,358</u>	<u>-</u>
Subtotal	104,508	101,064	3,444
Other Miscellaneous Receipts	12,242	12,242	-
Federal Grants	<u>429</u>	<u>429</u>	<u>-</u>
Total Receipts	<u>117,179</u>	<u>113,735</u>	<u>3,444</u>
Disbursements:			
Elementary and Secondary Education	28,165	28,165	-
DOH Medicaid (incl. administration)	21,868	21,868	-
Public Assistance	<u>520</u>	<u>607</u>	<u>(88)</u>
Subtotal	50,553	50,641	(88)
All Other Disbursements	<u>62,417</u>	<u>62,417</u>	<u>-</u>
Total Disbursements	<u>112,969</u>	<u>113,057</u>	<u>(88)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Office of the State Comptroller Estimates for Receipts and Disbursements
State Operating Funds - State Fiscal Year 2022-23
(in millions of dollars)

	<u>Office of the State Comptroller</u>	<u>Division of the Budget</u>	<u>Difference</u>
Receipts:			
Personal Income Tax	71,567	71,669	(102)
Consumer Taxes	18,754	18,821	(67)
Business Taxes	11,087	11,832	(745)
Other Taxes	2,636	2,351	285
<i>Total Taxes</i>	<u>104,044</u>	<u>104,673</u>	<u>(629)</u>
General Fund Miscellaneous Receipts	1,752	1,752	-
Lottery	4,236	4,236	-
Subtotal	110,032	110,661	(629)
Other Miscellaneous Receipts	11,014	11,014	-
Federal Grants	275	275	-
Total Receipts	<u>121,321</u>	<u>121,950</u>	<u>(629)</u>
Disbursements:			
Elementary and Secondary Education	30,957	30,957	-
DOH Medicaid (incl. administration)	25,284	25,284	-
Public Assistance	492	591	(98)
Subtotal	56,734	56,832	(98)
All Other Disbursements	59,450	59,450	-
Total Disbursements	<u>116,184</u>	<u>116,282</u>	<u>(98)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Office of the State Comptroller Estimates for Receipts and Disbursements
State Operating Funds - State Fiscal Year 2023-24
(in millions of dollars)

	<u>Office of the State Comptroller</u>	<u>Division of the Budget</u>	<u>Difference</u>
Receipts:			
Personal Income Tax	74,835	74,372	463
Consumer Taxes	19,013	19,298	(285)
Business Taxes	10,886	11,109	(223)
Other Taxes	2,671	2,474	197
<i>Total Taxes</i>	<u>107,405</u>	<u>107,253</u>	<u>152</u>
General Fund Miscellaneous Receipts	1,796	1,796	-
Lottery	4,006	4,006	-
Subtotal	113,207	113,055	152
Other Miscellaneous Receipts	10,852	10,852	-
Federal Grants	50	50	-
Total Receipts	<u>124,109</u>	<u>123,957</u>	<u>152</u>
Disbursements:			
Elementary and Secondary Education	33,769	33,769	-
DOH Medicaid (incl. administration)	27,168	27,168	-
Public Assistance	476	582	(106)
Subtotal	61,413	61,519	(106)
All Other Disbursements	60,029	60,029	-
Total Disbursements	<u>121,442</u>	<u>121,548</u>	<u>(106)</u>

Sources: Office of the State Comptroller, Division of the Budget
Note: Figures may not total due to rounding.

Contact

Office of the New York State Comptroller
110 State Street, 15th Floor
Albany, New York 12236

(518) 474-4044

www.osc.state.ny.us

Prepared by the Office of Budget and Policy Analysis

Andrea Miller, Executive Deputy Comptroller
Maria Doulis, Deputy Comptroller
Pasquale Reale, Assistant Comptroller
Todd Scheuermann, Assistant Comptroller



Like us on **Facebook** at facebook.com/nyscomptroller
Follow us on **Twitter** @nyscomptroller
Follow us on **Instagram** @nys.comptroller