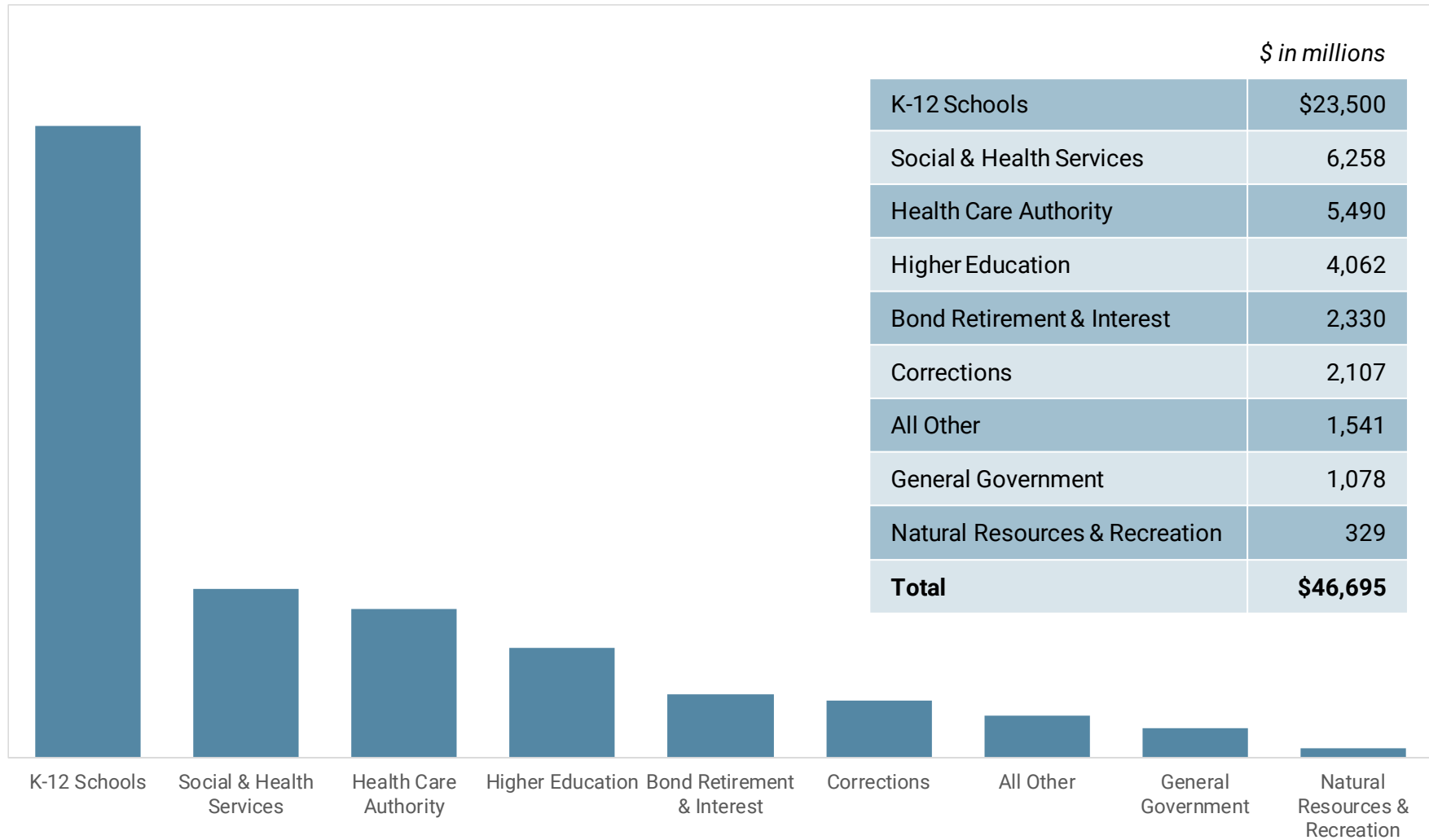


GOVERNOR'S PROPOSED 2017-19 BIENNIAL BUDGET

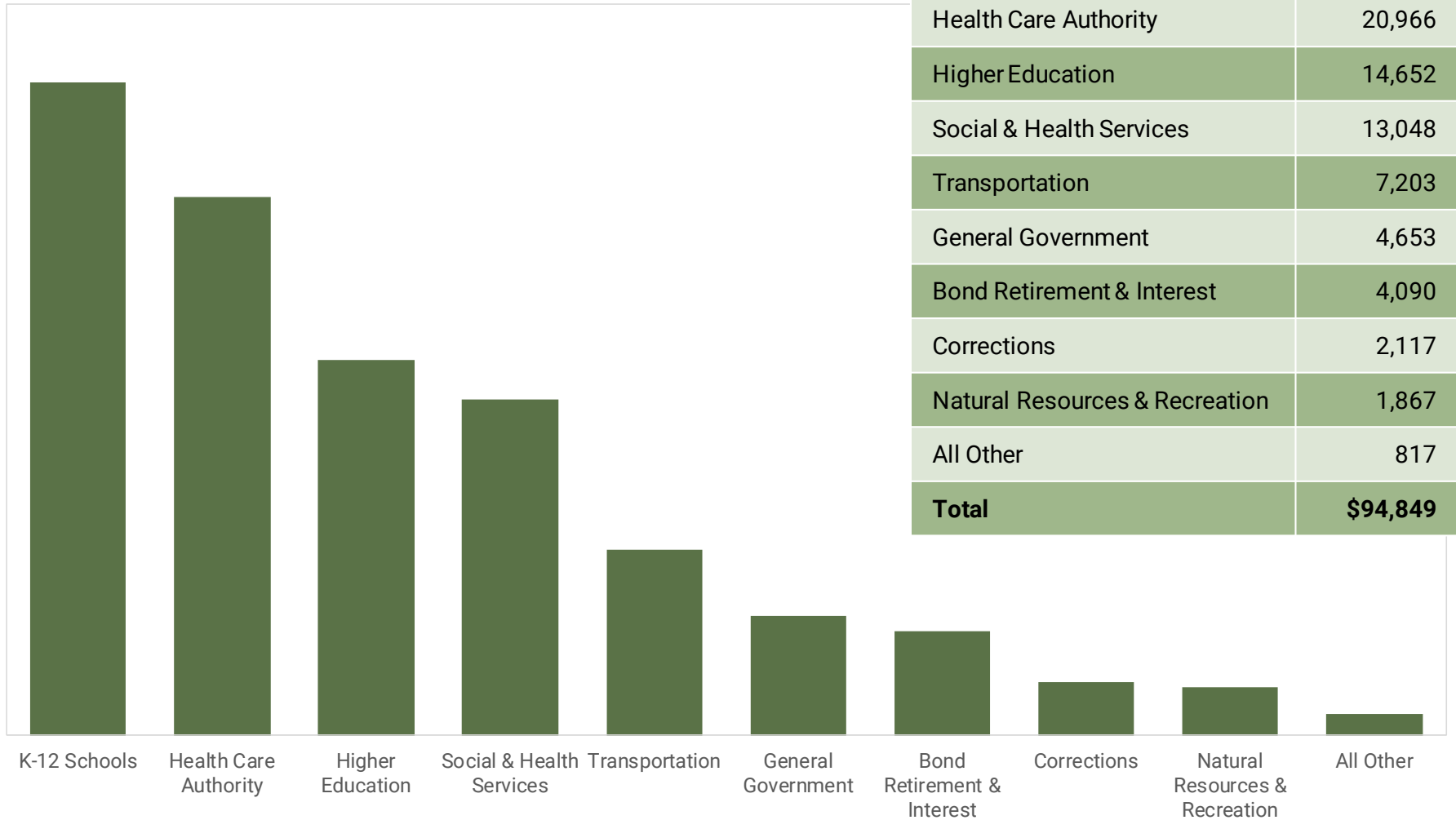
Near General Fund-State and Opportunity Pathways Accounts



GOVERNOR'S PROPOSED 2017-19 BIENNIAL BUDGET

All Funds – Operating Plus
Transportation Capital

\$ in millions



GOVERNOR'S PROPOSED 2017 SUPPLEMENTAL AND 2017-19 BUDGET BALANCE SHEET

General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account & Budget Stabilization Account
Dollars in millions

	2015-17	2017-19
Resources		
Beginning fund balance	\$1,011	\$646
November 2016 revenue forecast	38,704	41,284
Transfer to Budget Stabilization Account (1% of GSR)	(380)	(405)
Transfer to Budget Stabilization Account (EORG)	(680)	
Transfer from BSA (EORG)	75	
Enacted fund transfers/budget-driven revenue	207	114
Actual/assumed prior period adjustments & CAFR adjustment	69	41
Governor's Proposed Revenue Changes		
Restore transfer to BSA (1% of GSR)		407
Additional 1% BSA transfer		(2)
Fund transfers		118
Revenue package		4,391
Repayments from Public Works Assistance Account		253
Other revenue legislation		(20)
Budget-driven revenue		(2)
Total Resources (including beginning fund balance)	\$39,007	\$46,825

	2015-17	2017-19
Expenditures		
2015-17 Biennium		
Enacted budget	\$38,454	
Governor's proposed 2017 supplemental	133	
Governor's Proposed 2017-19 Budget		
Carry forward-level base		41,934
Policy changes		4,762
Actual/assumed reversions	(227)	(255)
Total Expenditures	\$38,360	\$46,440

Reserves		
Projected ending balance (GF-S + ELTA + OPA)	\$646	\$385
Budget Stabilization Account		
Budget Stabilization Account beginning balance	513	1,340
Plus transfers from General Fund and interest earnings	1,067	423
Less FY 2016 actual expenditures from BSA: fires	(152)	
Less FY 2017 appropriation for fire response	(13)	
Less transfers out to GF-S (extraordinary revenue)	(75)	
Less transfers out to GF-S		(407)
Projected Budget Stabilization Account Ending Balance	\$1,340	\$1,356
Total Reserves (Near General Fund plus Budget Stabilization)	\$1,987	\$1,741

BALANCE SHEET DETAIL

Fund Transfers, Revenue Legislation and Budget-Driven Revenues, Governor Proposed 2017 Session Dollars in millions

	2017–19 Biennium			2017–19 Biennium	
	GF-S	ELTA		GF-S	ELTA
Fund Transfers to/from GF-S (Excluding Transfers to/from BSA)					
Flood Control Account		\$2.0			
Performance Audit of Government Account		6.5			
Financial Services Regulation Account		5.0			
Safe Drinking Water Account		1.0			
Treasurer’s Service Account		12.0			
Carbon Pollution Reduction Account		91.9			
Subtotal		\$118.4			
Other Revenue Legislation					
Commercial fish privilege tax to Wildlife Account		(4.4)			
Raise cigarette age to 21		(15.9)			
Subtotal		\$(20.3)			
Revenue					
Local Distributions/Fees/Other					
Increase interest rate on assessment/reduce interest rate on refunds		\$16.5			
Expand trust fund accountability		10.3			
Extend economic nexus to retailing B&O activities		12.1			
Loophole Closures					
Limited trade-in exclusion to \$10,000		90.8			
Refund nonresident sales tax exemption		49.2			
Repeal bottled water sales tax exemption		57.1			
Repeal extracted fuel (except hog fuel)		51.8			
Limit REET foreclosure exemption		59.4			
Revenue (cont.)					
Carbon Tax (Net Revenue), Education Legacy Trust Account					
\$25/ton plus inflation plus 3.5%				1,069.1	
B&O Tax on Services, Education Legacy Trust Account					
Increase rate to 2.5% (all services)				2,276.0	
Capital Gains Tax, Education Legacy Trust Account					
7.9% (\$25,000/\$50,000 threshold, exempt all residential property)				821.0	
School Investment Account					
High technology R&D tax incentives			(30.2)		
Small business B&O credit and tax filing threshold			(91.9)		
Subtotal			\$225.1	\$4,166.1	
Budget Driven & Other					
LQB Account BDR			(0.6)		
Cannibus revenue distribution change BDR			(1.7)		
Subtotal			\$(2.3)		
Public Works Assistance Account					
Loan repayments				252.6	
All Revenue Changes				\$320.9	\$4,418.7