

STACEY ABRAMS

GOVERNOR

A budget reflects our values through a set of priorities and choices combined with sound reasoning and finance decisions. As Governor, the state's budget would demonstrate my commitment to building a better Georgia through investing in healthcare, teachers, safety, small businesses and agriculture. This budget uses numbers proposed by Kemp's budget office for income and expenditure growth and shows we can execute on our promises to build a better Georgia through program and policy initiatives proposed throughout my campaign. The budget document below shows three scenarios for income growth and surplus at the restrictive (3.5%), conservative (4.7%), and 9-year historical average growth (6%). We can provide much needed raises, programming and grants while maintaining a healthy surplus.

I believe in building a sustainable future where we all thrive together. This budget reflects that belief.

REVENUE PROJECTIONS

RESTRICTIVE	FY 2023 (Est)	FY 2024 (Projection)	FY 2025 (Projection)	FY 2026 (Projection)	FY 2027 (Projection)	FY 2028 (Projection)
	\$ 28,634,938,837	\$ 29,637,161,696	\$ 30,763,373,841	\$ 31,840,091,925	\$ 32,954,495,143	\$ 34,107,902,473
		\$ 1,002,222,859	\$ 1,126,212,144	\$ 1,076,718,084	\$ 1,114,403,217	\$ 1,153,407,330
		3.5%	3.8%	3.5%	3.5%	3.5%

CONSERVATIVE	FY 2023 (Est)	FY 2024 (Projection)	FY 2025 (Projection)	FY 2026 (Projection)	FY 2027 (Projection)	FY 2028 (Projection)
	\$ 28,634,938,837	\$ 29,980,780,962	\$ 31,389,877,668	\$ 32,865,201,918	\$ 34,409,866,408	\$ 36,027,130,129
		\$ 1,345,842,125	\$ 1,409,096,705	\$ 1,475,324,250	\$ 1,544,664,490	\$ 1,617,263,721
		4.7%	4.7%	4.7%	4.7%	4.7%

9-YEAR HISTORICAL AVERAGE (2011-2019)	FY 2023 (Est)	FY 2024 (Projection)	FY 2025 (Projection)	FY 2026 (Projection)	FY 2027 (Projection)	FY 2028 (Projection)
	\$ 28,634,938,837	\$ 30,353,035,167	\$ 32,174,217,277	\$ 34,104,670,314	\$ 36,150,950,533	\$ 38,320,007,565
		\$ 1,718,096,330	\$ 1,821,182,110	\$ 1,930,453,037	\$ 2,046,280,219	\$ 2,169,057,032
		6.0%	6.0%	6.0%	6.0%	6.0%

Assumptions:

1. Model uses FY 2023 Governor's Estimate as base revenue for calculations.
2. Revenue estimate assumes HB 1437 will not take effect until 1/1/2028 given revenue triggers, except for RESTRICTIVE model, where revenue trigger will not take effect until 1/1/2029.
3. 9-Year Historical Average excludes recessions (in between recession of FY 2009/FY 2010 and the pandemic year of FY 2020).
4. All Expenditures based upon an estimated Undesignated Reserve of \$5,736,879,248, calculated using available fiscal data. Updated numbers will not be available until close of FY 2022.

Baseline: Undesignated Reserve Surplus Calculation

FY 2021 Undesignated Reserve	\$2,183,506,705
Tax Rebate (per Fiscal Note HB 1302)	\$1,144,000,000
Remaining Undesignated Reserve	\$1,039,506,705
FY 2021 Revenue Shortfall Reserve	\$4,288,774,541
FY 2022 Surplus	\$5,523,165,896
FY 2022 Fund Balance	\$10,851,447,142
FY 2022 Revenue Shortfall Reserve	\$5,114,567,894
FY 2022 Undesignated Reserve	\$5,736,879,248
AFG: 9.5 month Gas Tax Suspension (proposed)	\$1,585,619,572
Remaining Undesignated Reserve (Surplus)	\$4,151,259,676

EXPENDITURE PROJECTIONS

RESTRICTIVE MODEL

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Projected Revenues (Using FY 2023 Gov. Est As Base)	\$ 29,637,161,696	\$ 30,674,462,356	\$ 31,748,068,538	\$ 32,859,250,937	\$ 34,009,324,720	
Rev Growth (3.5%)	\$ 1,002,222,859	\$ 1,126,212,144	\$ 1,076,718,084	\$ 1,114,403,217	\$ 1,153,407,330	
Mid-Term Adjustment Reserve	\$ 286,349,388	\$ 296,371,617	\$ 306,744,624	\$ 317,480,685	\$ 328,592,509	
Undesignated Reserve Surplus (Estimated \$4-\$5B available after Revenue Shortfall Reserve Obligation)	\$ 800,000,000	\$ 700,000,000	\$ 600,000,000	\$ 500,000,000	\$ 2,600,000,000	
Total Additional Revenues	\$ 2,088,572,248	\$ 2,122,583,761	\$ 1,983,462,708	\$ 1,931,883,903	\$ 1,481,999,839	
Department of Community Health (Gov Estimate)*	\$ 283,800,000	\$ 137,814,000	\$ 141,948,420	\$ 146,206,873	\$ 150,593,079	
Department of Education (Gov Estimate)	\$ 267,600,000	\$ 274,290,000	\$ 281,147,250	\$ 288,175,931	\$ 295,380,330	
Transportation (Gov Estimate)	\$ 51,700,000	\$ 52,992,500	\$ 54,317,313	\$ 55,675,245	\$ 57,067,126	
Board of Regents (Gov Estimate)	\$ 46,600,000	\$ 47,299,000	\$ 48,008,485	\$ 48,728,612	\$ 49,459,541	
Department of Corrections (Gov Estimate)	\$ 38,100,000	\$ 39,243,000	\$ 40,420,290	\$ 41,632,899	\$ 42,881,886	
Department of Human Services (Gov Estimate)	\$ 27,100,000	\$ 27,913,000	\$ 28,750,390	\$ 29,612,902	\$ 30,501,289	
Department of Behavioral Health (Gov Estimate)	\$ 26,300,000	\$ 26,826,000	\$ 27,362,520	\$ 27,909,770	\$ 28,467,966	
All Other State Departments (Gov Estimate)	\$ 54,900,000	\$ 55,778,400	\$ 56,670,854	\$ 57,577,588	\$ 58,498,829	
Bond Package (Based on \$950 million bond package)	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	
ANNUAL GROWTH BUDGET SUBTOTAL	\$ 896,100,000	\$ 762,155,900	\$ 778,625,522	\$ 795,519,820	\$ 812,850,046	
AFG: Medicaid Expansion	\$ 297,000,000	\$ 315,000,000	\$ 331,380,000	\$ 348,611,760	\$ 366,739,572	
AFG: Teacher Salary Increase (\$11K Total..\$2.75K a year)	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000		
AFG: Law Enforcement Salary (\$12K total..\$6K a year)	\$ 77,500,000	\$ 77,500,000				
AFG: Small Business Program	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	
AFG: Insulin Program	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	
AFG: Public Safety Incentive Grant	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	
AFG PROPOSED INCREASES SUBTOTAL	\$ 834,500,000	\$ 852,500,000	\$ 791,380,000	\$ 808,611,760	\$ 424,739,572	
ANNUAL GROWTH + AFG PROPOSALS	\$ 1,730,600,000	\$ 1,614,655,900	\$ 1,570,005,522	\$ 1,604,131,580	\$ 1,237,589,617	
Remaining Funds	\$ 357,972,248	\$ 507,927,861	\$ 413,457,186	\$ 327,752,322	\$ 244,410,222	
TOTAL ADDITIONAL EXPENDITURES	\$ 2,088,572,248	\$ 2,122,583,761	\$ 1,983,462,708	\$ 1,931,883,903	\$ 1,481,999,839	

*NOTE: \$133,800,000 is FY 2024 Base; however, state bond prospectus mentioned that the FY 2024 DCH budget would need to include \$150 million due to decreased FMAP.

EXPENDITURE PROJECTIONS

CONSERVATIVE MODEL

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Projected Revenues (Using FY 2023 Gov. Est As Base)	\$ 29,980,780,962	\$ 31,389,877,668	\$ 32,865,201,918	\$ 34,409,866,408	\$ 36,027,130,129
Rev Growth (4.7%)	\$ 1,345,842,125	\$ 1,409,096,705	\$ 1,475,324,250	\$ 1,544,664,490	\$ 1,617,263,721
Mid-Term Adjustment Reserve	\$ 286,349,388	\$ 299,807,810	\$ 313,898,777	\$ 328,652,019	\$ 344,098,664
Undesignated Reserve Surplus (Estimated \$4-\$5B available after Revenue Shortfall Reserve Obligation)	\$ 700,000,000	\$ 600,000,000	\$ 500,000,000	\$ 400,000,000	\$ 2,200,000,000
Total Additional Revenues	\$ 2,332,191,514	\$ 2,308,904,515	\$ 2,289,223,027	\$ 2,273,316,509	\$ 1,961,362,385
Department of Community Health (Gov Estimate)*	\$ 283,800,000	\$ 137,814,000	\$ 141,948,420	\$ 146,206,873	\$ 150,593,079
Department of Education (Gov Estimate)	\$ 267,600,000	\$ 274,290,000	\$ 281,147,250	\$ 288,175,931	\$ 295,380,330
Transportation (Gov Estimate)	\$ 51,700,000	\$ 52,992,500	\$ 54,317,313	\$ 55,675,245	\$ 57,067,126
Board of Regents (Gov Estimate)	\$ 46,600,000	\$ 47,299,000	\$ 48,008,485	\$ 48,728,612	\$ 49,459,541
Department of Corrections (Gov Estimate)	\$ 38,100,000	\$ 39,243,000	\$ 40,420,290	\$ 41,632,899	\$ 42,881,886
Department of Human Services (Gov Estimate)	\$ 27,100,000	\$ 27,913,000	\$ 28,750,390	\$ 29,612,902	\$ 30,501,289
Department of Behavioral Health (Gov Estimate)	\$ 26,300,000	\$ 26,826,000	\$ 27,362,520	\$ 27,909,770	\$ 28,467,966
All Other State Departments (Gov Estimate)	\$ 54,900,000	\$ 55,778,400	\$ 56,670,854	\$ 57,577,588	\$ 58,498,829
Bond Package (Based on \$950 million bond package)	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000
ANNUAL GROWTH BUDGET SUBTOTAL	\$ 896,100,000	\$ 762,155,900	\$ 778,625,522	\$ 795,519,820	\$ 812,850,046
AFG: Medicaid Expansion	\$ 297,000,000	\$ 315,000,000	\$ 331,380,000	\$ 348,611,760	\$ 366,739,572
AFG: Teacher Salary Increase (\$11K Total..\$2.75K a year)	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000	
AFG: Law Enforcement Salary (\$12K total..\$6K a year)	\$ 77,500,000	\$ 77,500,000			
AFG: Small Business Program	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
AFG: Insulin Program	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000
AFG: Public Safety Incentive Grant	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000
AFG PROPOSED INCREASES SUBTOTAL	\$ 834,500,000	\$ 852,500,000	\$ 791,380,000	\$ 808,611,760	\$ 424,739,572
ANNUAL GROWTH + AFG PROPOSALS	\$ 1,730,600,000	\$ 1,614,655,900	\$ 1,570,005,522	\$ 1,604,131,580	\$ 1,237,589,617
Remaining Funds	\$ 601,591,514	\$ 694,248,615	\$ 719,217,505	\$ 669,184,929	\$ 723,772,768
TOTAL ADDITIONAL EXPENDITURES	\$ 2,332,191,514	\$ 2,308,904,515	\$ 2,289,223,027	\$ 2,273,316,509	\$ 1,961,362,385

*NOTE: \$133,800,000 is FY 2024 Base; however, state bond prospectus mentioned that the FY 2024 DCH budget would need to include \$150 million due to decreased FMAP.

EXPENDITURE PROJECTIONS

9-YEAR HISTORICAL AVERAGE MODEL

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Projected Revenues (Using FY 2023 Gov. Est As Base)*	\$ 30,353,035,167	\$ 32,174,217,277	\$ 34,104,670,314	\$ 36,150,950,533	\$ 38,320,007,565
Rev Growth (6.0%)	\$ 1,718,096,330	\$ 1,821,182,110	\$ 1,930,453,037	\$ 2,046,280,219	\$ 2,169,057,032
Mid-Term Adjustment Reserve	\$ 286,349,388	\$ 303,530,352	\$ 321,742,173	\$ 341,046,703	\$ 361,509,505
Undesignated Reserve Surplus (Estimated \$4-\$5B available after Revenue Shortfall Reserve Obligation)	\$ 400,000,000	\$ 300,000,000	\$ 200,000,000	\$ 100,000,000	\$ 1,000,000,000
Total Additional Revenues	\$ 2,404,445,719	\$ 2,424,712,462	\$ 2,452,195,209	\$ 2,487,326,922	\$ 2,530,566,537
Department of Community Health (Gov Estimate)*	\$ 283,800,000	\$ 137,814,000	\$ 141,948,420	\$ 146,206,873	\$ 150,593,079
Department of Education (Gov Estimate)	\$ 267,600,000	\$ 274,290,000	\$ 281,147,250	\$ 288,175,931	\$ 295,380,330
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Bond Package (Based on \$950 million bond package)	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000
ANNUAL GROWTH BUDGET SUBTOTAL	\$ 896,100,000	\$ 762,155,900	\$ 778,625,522	\$ 795,519,820	\$ 812,850,046
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AFG PROPOSED INCREASES SUBTOTAL	\$ 834,500,000	\$ 852,500,000	\$ 791,380,000	\$ 808,611,760	\$ 424,739,572
ANNUAL GROWTH + AFG PROPOSALS	\$ 1,730,600,000	\$ 1,614,655,900	\$ 1,570,005,522	\$ 1,604,131,580	\$ 1,237,589,617
Remaining Funds	\$ 673,845,719	\$ 810,056,562	\$ 882,189,688	\$ 883,195,342	\$ 1,292,976,920
TOTAL ADDITIONAL EXPENDITURES	\$ 2,404,445,719	\$ 2,424,712,462	\$ 2,452,195,209	\$ 2,487,326,922	\$ 2,530,566,537

*NOTE: \$133,800,000 is FY 2024 Base; however, state bond prospectus mentioned that the FY 2024 DCH budget would need to include \$150 million due to decreased FMAP.