

# 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**

<b>RESTRICTIVE</b>	<b>FY 2023 (Est)</b>	<b>FY 2024 (Projection)</b>	<b>FY 2025 (Projection)</b>	<b>FY 2026 (Projection)</b>	<b>FY 2027 (Projection)</b>	<b>FY 2028 (Projection)</b>
	\$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%

<b>CONSERVATIVE</b>	<b>FY 2023 (Est)</b>	<b>FY 2024 (Projection)</b>	<b>FY 2025 (Projection)</b>	<b>FY 2026 (Projection)</b>	<b>FY 2027 (Projection)</b>	<b>FY 2028 (Projection)</b>
	\$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%

<b>9-YEAR HISTORICAL AVERAGE (2011-2019)</b>	<b>FY 2023 (Est)</b>	<b>FY 2024 (Projection)</b>	<b>FY 2025 (Projection)</b>	<b>FY 2026 (Projection)</b>	<b>FY 2027 (Projection)</b>	<b>FY 2028 (Projection)</b>
	\$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 \$6,277,228,073, calculated using close of FY 2022 available fiscal data.

**Baseline: Undesignated Reserve Surplus Calculation**

<b>FY 2021 Undesignated Reserve</b>	\$2,183,506,705
<b>Tax Rebate (per Fiscal Note HB 1302)</b>	\$1,144,000,000
<b>Remaining Undesignated Reserve</b>	\$1,039,506,705
<b>FY 2021 Revenue Shortfall Reserve</b>	\$4,288,774,541
<b>FY 2022 Surplus</b>	\$6,158,870,396
<b>FY 2022 Fund Balance</b>	\$11,487,151,642
<b>FY 2022 Revenue Shortfall Reserve</b>	\$5,209,923,569
<b>FY 2022 Undesignated Reserve</b>	\$6,277,228,073
<b>AFG: 9.5 month Gas Tax Suspension (proposed)</b>	\$1,585,619,572
<b>AFG: Tax Rebate</b>	\$1,000,000,000
<b>AFG: Use in Budget</b>	\$1,900,000,000
<b>Remaining Undesignated Reserve (Surplus)</b>	<b>\$1,791,608,501</b>

**EXPENDITURE PROJECTIONS**

<b>CONSERVATIVE (4.7% Revenue Growth)</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
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	\$ 35,827,130,129
<b>Revenue Growth Budgeted</b>	\$ 1,046,034,316	\$ 1,095,197,929	\$ 1,146,672,231	\$ 1,200,565,826	\$ 1,056,992,420
Mid-Term Adjustment Reserve	\$ 286,349,388	\$ 299,807,810	\$ 313,898,777	\$ 328,652,019	\$ 344,098,664
<b>Undesignated Reserve Surplus (Estimated \$5-\$6B available after Revenue Shortfall Reserve Obligation)</b>	\$ 1,000,000,000	\$ 400,000,000	\$ 300,000,000	\$ 200,000,000	\$ 1,900,000,000
<b>Total Additional Revenues</b>	<b>\$ 2,332,383,704</b>	<b>\$ 1,795,005,738</b>	<b>\$ 1,760,571,008</b>	<b>\$ 1,729,217,845</b>	<b>\$ 1,401,091,084</b>
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
<b>ANNUAL GROWTH BUDGET SUBTOTAL</b>	<b>\$ 896,100,000</b>	<b>\$ 762,155,900</b>	<b>\$ 778,625,522</b>	<b>\$ 795,519,820</b>	<b>\$ 812,850,046</b>
<b>AFG: Medicaid Expansion</b>	\$ 297,000,000	\$ 18,000,000	\$ 16,380,000	\$ 17,231,760	\$ 18,127,812
<b>AFG: Teacher Salary Increase (\$11K Total..\$2.75K a year)</b>	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000	\$ 402,000,000	
<b>AFG: Law Enforcement Salary (\$12K total..\$6K a year)</b>	\$ 77,500,000	\$ 77,500,000			
<b>AFG: Small Business Program</b>	\$ 10,000,000				
<b>AFG: Insulin Program</b>	\$ 23,000,000				
<b>AFG: Public Safety Incentive Grant</b>	\$ 25,000,000				
<b>AFG: Housing Trust Fund</b>	\$ 29,000,000				
<b>AFG: Family Farm Fund</b>	\$ 5,000,000				
<b>AFG: Childcare and Parental Services Program (CAPS)</b>	\$ 82,500,000	\$ 7,500,000			
<b>AFG: Childcare Worker Tax Credit</b>	\$ 41,000,000				
<b>AFG: Developmental Disabilities Waiting List</b>	\$ 35,000,000	\$ 35,000,000	\$ 35,000,000	\$ 35,000,000	
<b>AFG PROPOSED INCREASES SUBTOTAL</b>	<b>\$ 1,027,000,000</b>	<b>\$ 540,000,000</b>	<b>\$ 453,380,000</b>	<b>\$ 454,231,760</b>	<b>\$ 18,127,812</b>
<b>ANNUAL GROWTH + AFG PROPOSALS</b>	<b>\$ 1,923,100,000</b>	<b>\$ 1,302,155,900</b>	<b>\$ 1,232,005,522</b>	<b>\$ 1,249,751,580</b>	<b>\$ 830,977,858</b>
<b>Remaining Funds</b>	\$ 409,283,704	\$ 492,849,838	\$ 528,565,486	\$ 479,466,265	\$ 570,113,226
<b>TOTAL ADDITIONAL EXPENDITURES</b>	<b>\$ 2,332,383,704</b>	<b>\$ 1,795,005,738</b>	<b>\$ 1,760,571,008</b>	<b>\$ 1,729,217,845</b>	<b>\$ 1,401,091,084</b>

*\*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**

<b>9-YEAR HISTORICAL AVERAGE (6.0% Revenue Growth)</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
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
<b>Revenue Growth Budgeted</b>	\$ 1,414,565,979	\$ 1,499,439,937	\$ 1,589,406,333	\$ 1,684,770,714	\$ 1,785,856,956
Mid-Term Adjustment Reserve	\$ 286,349,388	\$ 303,530,352	\$ 321,742,173	\$ 341,046,703	\$ 361,509,505
<b>Undesignated Reserve Surplus (Estimated \$5-\$6B available after Revenue Shortfall Reserve Obligation)</b>	\$ 700,000,000	\$ 200,000,000			\$ 900,000,000
<b>Total Additional Revenues</b>	<b>\$ 2,400,915,367</b>	<b>\$ 2,002,970,289</b>	<b>\$ 1,911,148,506</b>	<b>\$ 2,025,817,417</b>	<b>\$ 2,147,366,462</b>
Department of Education (Gov Estimate)	\$ 267,600,000	\$ 274,290,000	\$ 281,147,250	\$ 288,175,931	\$ 295,380,330
Department of Community Health (Gov Estimate)	\$ 283,800,000	\$ 137,814,000	\$ 141,948,420	\$ 146,206,873	\$ 150,593,079
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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
<b>ANNUAL GROWTH BUDGET SUBTOTAL</b>	<b>\$ 896,100,000</b>	<b>\$ 762,155,900</b>	<b>\$ 778,625,522</b>	<b>\$ 795,519,820</b>	<b>\$ 812,850,046</b>
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<b>Remaining Funds</b>	\$ 477,815,367	\$ 700,814,389	\$ 679,142,984	\$ 776,065,836	\$ 1,316,388,604
<b>TOTAL ADDITIONAL EXPENDITURES</b>	<b>\$ 2,400,915,367</b>	<b>\$ 2,002,970,289</b>	<b>\$ 1,911,148,506</b>	<b>\$ 2,025,817,417</b>	<b>\$ 2,147,366,462</b>

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