



Revenue Estimating Conference—March 15, 2024

FY 2024 Estimate: The Revenue Estimating Conference (REC) met and revised their estimate for FY 2024 net General Fund Receipts (including transfers). They agreed to decrease the estimate by \$120.0 million compared to the estimates they made in December. With this revision, the FY 2024 general revenue amounts are estimated to be \$218.0 million (-2.2%) below the FY 2023 amount.

FY 2025 Estimate: The REC also revised their estimate for FY 2025. They agreed to increase the estimate by \$60.7 million compared to the estimates they made in December. With this revision, the FY 2025 general revenue amounts are estimated to be \$71.3 million (0.7%) above the revised FY 2024 amount.

Additionally, the REC set their first estimate for FY 2026 at \$9,600.8 million. This estimate will be reviewed and revised in October.

Revenue Estimating Conference March 15, 2024: Net General Fund Receipts (including Transfers)
(Dollars in Millions)

Actual	Dec. Estimates	March Estimates for FY 2024			
		March REC Estimate for FY 2024	Est. FY 2024 vs. FY 2023	% Change Est. FY 2024 vs. FY 2023	Change from Dec. REC Estimate for FY 2024
Actual FY 2023 Net General Fund Receipts	FY 2024 - Dec. REC Estimate	\$ 9,626.5	\$ (218.80)	-2.2%	\$ (120.00)
\$ 9,845.3	\$ 9,746.5				
	Dec. Estimates	March Estimates for FY 2024			
	FY 2025 - Dec. REC Estimate	March REC Estimate for FY 2025	Est. FY 2025 Vs. Est. FY 2024	% Change Est. FY 2025 vs. FY 2024	Change from Dec. REC Estimate for FY 2025
	\$ 9,637.1	\$ 9,697.8	\$ 71.30	0.7%	\$ 60.70

What does this mean?

The change in the estimates (comparing March to December) will not likely have much of an impact on work currently being done by the legislature as they craft the FY 2025 state budget. Both the Senate and House have yet to release budget targets for FY 2025. The 100-day legislative Session is scheduled to be done on April 16. Things to watch for in the next few weeks:

- Passage of supplemental state aid (SSA). While the House has passed a 3.0% SSA rate, the Senate has yet to take action on SSA. Lack of action on SSA has been disappointing as the legislature has missed the self-imposed deadline of enacting SSA 13 of the past 14 legislative sessions.
- Income tax reductions that may have an impact on general fund revenues starting with FY 2025. Any income tax reduction amounts enacted by the legislature this session will have to be

factored against the new REC estimates for FY 2025 and could have an impact on the final FY 2025 general fund appropriation amounts.

Overall, the state budget remains strong, the state reserve funds are full and if revenues come in as projected by the REC, the overall state general fund surplus will increase. Final revenue amounts for FY 2024 will not be known until the end of September.

More on the REC

The Revenue Estimating Conference is a three-member panel that meets three times a year to agree upon the revenue estimates for the current fiscal year and following fiscal year. The estimates play a crucial role as they are used by:

- The Governor when submitting budget recommendations to the legislature in January, and
- The Legislature when appropriating funds for the state budget during the legislative session.

The next scheduled REC meeting will likely be held in October.

Additional information on the REC is available on the [Department of Management's website](#). Additional information pertaining to the REC estimates is available on the [General Assembly's website](#).