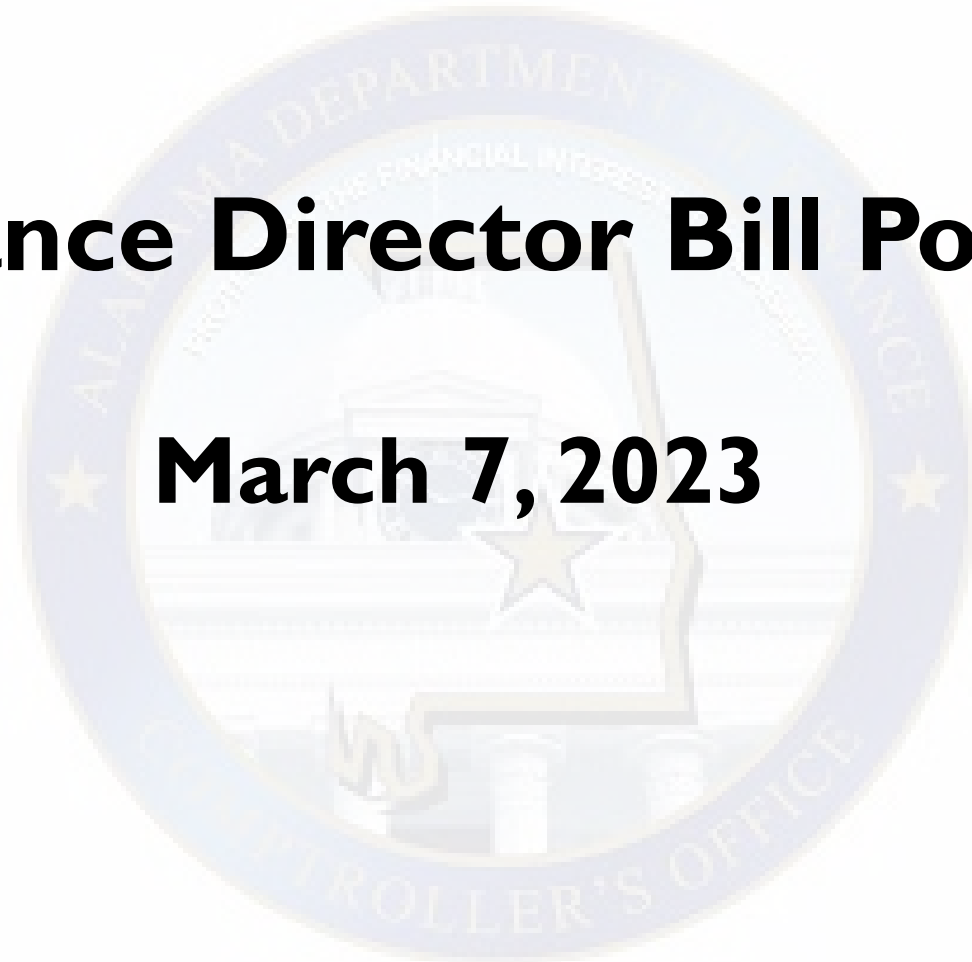


REGULAR LEGISLATIVE SESSION OF 2023

Finance Director Bill Poole

March 7, 2023



STATE BUDGET PROCESS

- **September** – Process begins with revenue estimating
- **November 1st** – Agencies submit budget requests
 - Executive Budget Office staff receive and analyze requests
- **November/December** – Meetings with agencies to discuss their budget requests, discussion of priorities with Governor Ivey, and formulating early drafts of the budgets
 - Follow up meetings with agencies as necessary
 - Governor Ivey meets with legislative leadership for input on policy matters
 - Budgets are finalized and prepared in the last week before the Regular Session begins

REVENUE ESTIMATES AND ECONOMIC ASSUMPTIONS

- Alabama's economy remains resilient:
 - Alabama Unemployment Rate: 2.6%
 - Nationwide Unemployment Rate: 3.4%

State General Fund Revenues	Education Trust Fund Revenues
FY 2022 Growth - 8.44 %	FY 2022 Growth - 20.54%
FY 2024 Estimated Growth - 0.16%	FY 2024 Estimated Growth - 3.81%

2024 BUDGET – GOVERNOR'S PROPOSAL

General Fund

Total Proposed FY 2024 Budget

\$2.97 billion

8.42% increase over FY 2023

2024 GENERAL FUND BUDGET PRIORITIES

- **Increase Reserve Funds**
- **Target Sustainable Agency Operational Increase**
- **Target One-Time Capital Needs (no recurring operational obligations)**
- **State Employee Compensation**
- **Address SEIB Rate Increase**
- **Medicaid/Corrections**
- **Inflationary Costs**



2024 BUDGET – GOVERNOR'S PROPOSAL

Education Trust Fund

Total Proposed FY 2024 Budget

\$8.79 billion

6.50% increase over FY 2023

2024 EDUCATION TRUST FUND BUDGET PRIORITIES

- **Tax Rebate**
- **Retire Debt**
- **Capital Projects Funding for K-12 and Higher Ed (one-time investments and deferred maintenance)**
- **Statewide Economic/Workforce Development Projects**
- **Prison Education**
- **Teacher Compensation**
- **Pre-K High-Needs Classrooms**
- **Targeted K-12 Funding: Numeracy Act, Literacy Act, Afterschool/Summer Learning Programs, OCE**
- **Creating and Sustaining Child-Care Programs and Access**
- **Higher Ed Increases**

LEGISLATIVE REGULAR SESSION OF 2023

Finance Director Bill Poole

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