

## State Budget Shortfalls and State-Specific Budget Cuts

**Public-Private Long-Term Care Insurance Plans will have a tremendously positive impact on state budgets if we educate employers to offer it now to all employees to decrease cuts in other services like you see here.**

Alabama has an 8.3% budget shortfall for FY2011. In addition to reducing the state workforce, Alabama has ended homemaker services for approximately 1,100 older adults, which allowed people to avoid nursing home care. Also, due to budget shortfalls, Alabama's K-12 grants will be cut. Alabama's colleges and universities will raise tuition anywhere from 8% to 23%, depending on the institution in order to make up for insufficient state funding. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Arizona has a 36.5% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. State budget cuts will result in over one million low-income Arizona residents losing access to Medicaid. Arizona eliminated preschool for 4,328 children and denied funding for books, computers, and other classroom supplies in order to keep children in school beyond a half-day schedule. Also, Arizona's Board of Regents approved tuition hikes that range from 9% to 20% for the states colleges and universities. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

California has a 20.7% budget shortfall for FY2011 and has cut public health and the state workforce, services for the elderly and disabled and is on the list of states with tax increase activity. California has cut funding for the Children's Health Insurance Program, nearly all funding for HIV/AIDS patients, and eliminated funding for the domestic violence shelter program. California has reduced K-12 aid to local school districts by billions of dollars and has cut funding for adult literacy instruction and help for high-needs students. The University of California has increased tuition by 32 percent and reduced freshman enrollment by 2,300 students; the California State University system cut enrollment by 40,000 students. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Colorado has a 21.5% budget shortfall for FY2011 and has cut public health and the state workforce. Colorado has reduced public school spending in FY2011 by \$260 million, nearly a 5 percent decline from the previous year. Also, higher education funds were reduced by \$62 million from FY2010. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Connecticut has a 28.8% budget shortfall for FY2011 and has cut public health, K-12 and higher education, and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Delaware has an 11.4% budget shortfall for FY2011 and has cut K-12 education and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

The District of Columbia has a budget shortfall of 1.7% for FY2011. In addition to reducing the state workforce, the District of Columbia has capped or reduced funding for programs that serve people who have disabilities or are elderly. The District of Columbia has cut K-12 education grants and programs, and financial aid for higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Florida has a 19.5% budget shortfall for FY2011 and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. Also, due to funding cuts in education, Florida's 11 public universities will raise tuition by 15 percent for the 2010-11 academic years. This tuition hike, combined with a similar increase in 2009-10, results in a total two-year increase of 32 percent. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Georgia has a 25.4% budget shortfall for FY2011 and has cut public health, and the state workforce. Georgia has reduced such services for the elderly and disabled by reducing programs providing services for people with Alzheimer's disease, elder service centers, and elder support. The budget is still \$375 million short, so the governor has asked for an additional 4% across the board spending on top of cuts already made. Also, Georgia has cut K-12 education \$405 million and higher education \$151 million. As a result, undergraduate tuition for this fall at Georgia State, Georgia Tech, and the University of Georgia will increase by 16 percent. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Hawaii has a 11.8% budget shortfall for FY2011 and has cut K-12 and higher education, and the state workforce. Hawaii shortened the 2009-2010 school year by 17 days in order to deal with the budget shortfall. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Idaho has a 3.5% budget shortfall for FY2011 and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. Idaho's department of Health and Welfare has reduced or eliminated cash assistance to 1,250 low-income elderly adults and people with disabilities. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Illinois has the second largest budget shortfall of all 50 states for FY 2011 at 40.4% and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Indiana has a 9.4% budget shortfall for FY2011 and has cut public health, K-12 and higher education, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Iowa has an 20.3% budget shortfall for FY2011 and has cut K-12 and higher education, and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Kansas has an 9.1% budget shortfall for FY2011. In addition to reducing the state workforce; grants to centers for independent living have been reduced resulting in a loss of services for nearly 2,800 individuals with a disability. Grants to K-12 and higher education have both been cut in order to deal with the budget shortfall. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Kentucky has an 9.1% budget shortfall for FY2011. In addition to cutting the state workforce, state education grants have been cut in both K-12 schools and higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Louisiana has a 12.9% budget shortfall for FY2011 and has cut public health, higher education and the state workforce. Louisiana has capped or reduced funding for programs that serve people who have disabilities or are elderly. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Maine has a 34.7% budget shortfall for FY2011 and has cut public health and the state workforce, Maine has capped or reduced funding for programs that serve people who have disabilities or are elderly. Also, education grants and programs have been cut in K-12 and higher education. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Maryland has a 15.3% budget shortfall for FY2011 and has cut public health, higher education and the state workforce. Maryland has capped or reduced funding for programs that serve people who have disabilities or are elderly. Also, Maryland has cut gifted and talented summer centers and science initiatives at K-12 schools. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Massachusetts has a 8.6% budget shortfall for FY2011 and has cut public health and the state workforce. Massachusetts cut funding for the state's elder home care program by 6 percent. This program allowed elderly residents to receive long-term care in their community rather than a nursing home. This cut could result in more than 1,000 elderly residents losing access to care. Also, Massachusetts cut state education aid by \$115.6 million. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Michigan has a 9.3% budget shortfall for FY2011 and has cut public health, and the state workforce. Michigan has frozen enrollment for long term care services and supports that help the developmentally disabled avoid institutionalization. Also, Michigan has cut the school aid budget by \$382 million resulting in a \$165 per-pupil reduction in K-12. Michigan has also reduced higher education financial aid by \$135 million resulting in a 44 percent cut in tuition grants. Michigan plans to reduce funding for hospice care programs. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Minnesota has a 25.0% budget shortfall for FY2011 and has cut public health and the state workforce. Minnesota has restricted enrollment in or scaled back a number of programs that allow the elderly and disabled to receive services in their home that they might otherwise only be able to receive in a nursing home, hospital, or other institution. As a result thousands of elderly and disabled Minnesotans will see their access to these services denied or significantly reduced. Also, Minnesota's higher education cuts caused 9,400 students will lose their state financial aid grants, and the remaining financial aid recipients will see their grants cut by 19 percent. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Mississippi has a 15.9% budget shortfall for FY2011 and has cut K-12 and higher education, the state workforce, and services for the elderly and disabled. Specifically, Mississippi cut funding for the Mississippi Adequate Education

Program by 7.2 percent (a program established to bring per pupil K-12 spending up to adequate levels in every district). (Center on Budget & Policy Priorities, 10/7 & 11/5/10)

Missouri has a 9.4% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. Also, Missouri is cutting funding for K-12 transportation by 46 percent, resulting in longer rides and the elimination of routes for some of the 565,000 students who rely on the school bus system. Plus, Missouri has cut need based aid for higher education by 24 percent. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Montana is not listed as having a budget shortfall.

Nebraska has a 9.7% budget shortfall for FY2011 and has cut education, and the state workforce. Grants and financial aid have been significantly reduced for both K-12 and higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Nevada has a 54.5% budget shortfall for FY2011 and has cut public health, and the state workforce. Grants and financial aid have been significantly reduced for both K-12 and higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

New Hampshire has a 27.2% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

New Jersey has a 38.2% budget shortfall for FY2011 and has cut public health, K-12 and higher education, and eliminated 2000 jobs in the state workforce. Cuts in after school programs are expected to cost 1100 staff jobs and 11,000 kids will lose access to those programs. Due to a combination of eliminating eligibility completely for legal immigrant parents who have been in the U.S. for less than five years and lowering the income threshold for others, about 50,700 low-income adults will lose access to health care coverage. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

New Mexico has a 6.1% budget shortfall for FY2011 and has cut higher education, the state workforce, and services to the elderly and disabled. Moreover, New Mexico has cut cash assistance payments for low-income disabled residents by one-third. Also, New Mexico eliminated over 80% of support to the College Affordability Endowment Fund, which provides need based scholarships to 2,366 students who do not qualify for state grants or scholarships. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

New York has a 15.9% budget shortfall for FY2011 and has cut public health, higher education, and the state workforce. Also, New York increased resident undergraduate tuition by 14 percent. New York has reduced funding for hospice care. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

North Carolina has a 30.6% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. Also, North Carolina eliminated funding for teacher mentoring, and cut funding by 21 percent for a program targeted at small schools in low-income areas in K-12 institutions. Furthermore, the state has also increased higher education tuition

by \$750 for four year institutions, and by \$200 for community college students. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

North Dakota is not listed as having a budget shortfall.

Ohio has an 11.0% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. Ohio has eliminated virtually all state funding for mental health treatment for individuals who are not eligible for the state's Medicaid program. Also, Ohio has cut grants and education programs for K-12 education, and financial aid to higher education institutions. Ohio has cut funding for hospice care. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Oklahoma has a 13.7% budget shortfall for FY2011 and has cut public health and the state workforce. Also, Oklahoma has cut state education grants, education programs, and financial aid to K-12 and higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Oregon has a 25.0% budget shortfall for FY2011 and has already cut education grants and programs for K-12, financial aid for higher education, and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Pennsylvania has a 16.2% budget shortfall for FY2011 and has already cut education grants and programs for K-12, financial aid for higher education, and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Rhode Island has a 13.4% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. Also, Rhode Island cut state aid for K-12 education and reduced the number of children who can be served by Head Start and similar services. The state has also cut financial aid for higher education. Rhode Island has reduced funding for hospice care. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

South Carolina has a 26.1% budget shortfall for FY2011 and has cut public health, the state workforce, and services for the elderly and disabled. South Carolina has cut education grants and programs for K-12 schools, and financial aid for higher education institutions. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

South Dakota has an 8.8% budget shortfall for FY2011 and has cut higher education and the state workforce. Also, South Dakota's Board of Regents has increased university tuition by 4.6 percent and cut university programs by \$4.4 million. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Tennessee has a 9.4% budget shortfall for FY2011 and has cut public health, higher education, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Texas has a 10.2% budget shortfall for FY2011 and has reduced higher education funding by \$73 million in addition to cutting the number of children in a child care subsidy program by about 4,000 and increased waiting lists for those slots still available. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Utah has a 14.7% budget shortfall for FY2011 and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Vermont has a 31.3% budget shortfall for FY2011 and has cut higher education, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Virginia has an 8.5% budget shortfall for FY2011 and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. Also, Virginia has cut \$700 million for school district operating and capital expenses, and funding for class-size reduction in kindergarten through third grade. Furthermore, Virginia's community colleges implemented a tuition increase during the spring 2010 semester. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Washington has a 22.5% budget shortfall for FY2011 and has cut public health, K-12 and higher education, the state workforce, and services for the elderly and disabled, and is on the list of states with tax increase activity. Also, Washington has cut funding for the University of Washington by 26 percent for this current year and WSU has increased tuition by almost **30% over two years**. Plus Washington has cut 6% from direct aid to the state's six universities and 34 community colleges, which can domino into tuition increases, faculty and staff cuts, etc. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

West Virginia has a 3.6% budget shortfall for FY2011 and has not made any cuts in public health, K-12 and higher education, the state workforce, and services for the elderly and disabled. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

Wisconsin has a 23.9% budget shortfall for FY2011 and has cut public health, higher education, and the state workforce. (Center on Budget & Policy Priorities, 10/7 & 11/5/10)

Wyoming has a 10.3% budget shortfall for FY2011 and has cut public health, and the state workforce. (Center on Budget & Policy Priorities, 12/09 & 11/5/10)

### **Source Documents:**

#### Budget Shortfalls by State:

McNichol, Elizabeth, Phil Oliff and Nicholas Johnson. "Recession Continues to Batter State Budgets; State Responses Could Slow Recovery", Center on Budget and Policy Priorities, Updated December 9th, 2010  
<http://www.cbpp.org/files/9-8-08sfp.pdf>

#### Specific Budget Cuts by State:

Johnson, Nicholas, Phil Oliff and Erica Williams. "An Update on State Budget Cuts", Center on Budget and Policy Priorities, Updated November 5, 2010  
<http://www.cbpp.org/cms/index.cfm?fa=view&id=1214>