

Did You Know?



NYS Enacted Budget Edition

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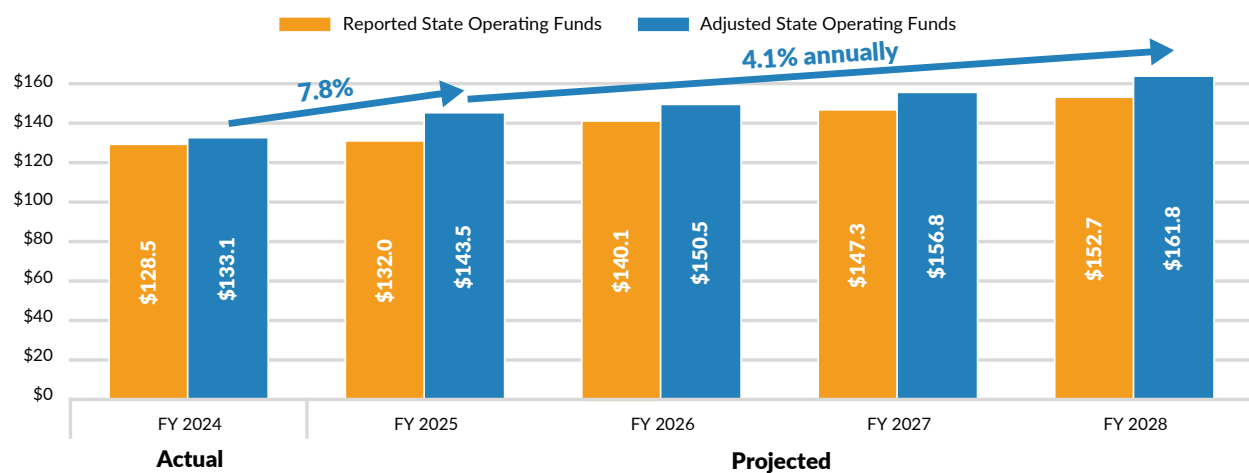
Release of Financial Plan Shows \$2B More in Spending over State’s Initial Report

More than one month after the budget was enacted, the New York State Division of the Budget on Friday, May 24 released the [Fiscal Year 2025 Enacted Budget Financial Plan](#). The Financial Plan provides the first full picture of the State’s fiscal condition. Notably, the total All-Funds spending for fiscal year 2025 will be \$239 billion, \$2 billion higher than the State reported when the budget was enacted. Due to strong tax receipts at the end of fiscal year 2024, the State wisely added \$1.5 billion more to reserves, bringing the total to \$21.1 billion.

Adjusted State Operating Funds (SOF) Spending Increases 7.8 Percent, or \$10.4 Billion, in Fiscal Year 2025

- Through fiscal year 2028, average annual SOF spending growth is projected at 4.1 percent; and
- Projected fiscal year 2028 SOF spending is now \$2.4 billion greater than proposed in the Executive Budget.

State Spending Climbing Steadily, Causing Structural Gaps
(dollars in billions)



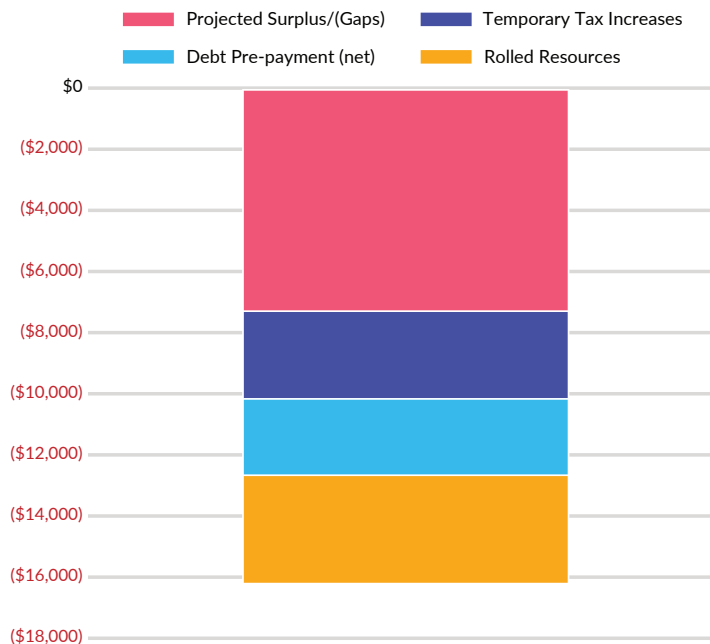
Note: "Reported State Operating Funds" represents actual and projected SOF spending—which does not include COVID-related or any other federal funds—on a cash basis without any adjustments. "Adjusted State Operating Funds," calculated by CBC staff, serves as the basis for this brief’s narrative. The adjustments to Reported SOF Spending include accounting for off-budget shifts, reclassifications, payment delays, pre-payments, certain federal aid that temporarily offsets State costs, and other maneuvers which shift spending across funds or across years. This provides a more consistent and complete analysis of State spending trends.

Sources: CBC staff analysis of New York State Division of the Budget, FY 2025 NYS Enacted Budget Financial Plan (May 2024), <https://www.budget.ny.gov/pubs/archive/fy25/en/fy25fp-en.pdf>.

Enacted Budget Drives \$16.1 Billion Structural Budget Gap

- Gaps in the Financial Plan range from \$2.3 billion in fiscal year 2026 to \$7.3 billion in fiscal year 2028;
- These are smaller than they otherwise would be, since the budget relies on temporary, non-recurring resources;
- The larger structural imbalance is masked by \$2.9 billion from expiring tax increase, \$2.5 billion in prior debt service prepayments, and \$3.5 billion from rolled resources; and
- The structural imbalance is approximately unchanged from the Executive Budget proposal because higher tax receipts of \$2.5 billion are offset by the omission of savings proposed by the Executive and greater reliance on rolled resources in fiscal year 2028.

FY28 Structural Gap Projected to Exceed \$16B
(dollars in millions)



Sources: CBC staff analysis of New York State Division of the Budget, FY 2025 NYS Enacted Budget Financial Plan (May 2024), <https://www.budget.ny.gov/pubs/archive/fy25/en/fy25fp-en.pdf>.

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