

Part 3

Spending

As with state revenue, there are various ways to look at state spending. *Total state expenditures*, obviously, encompass every dollar spent by state government, irrespective of its source.

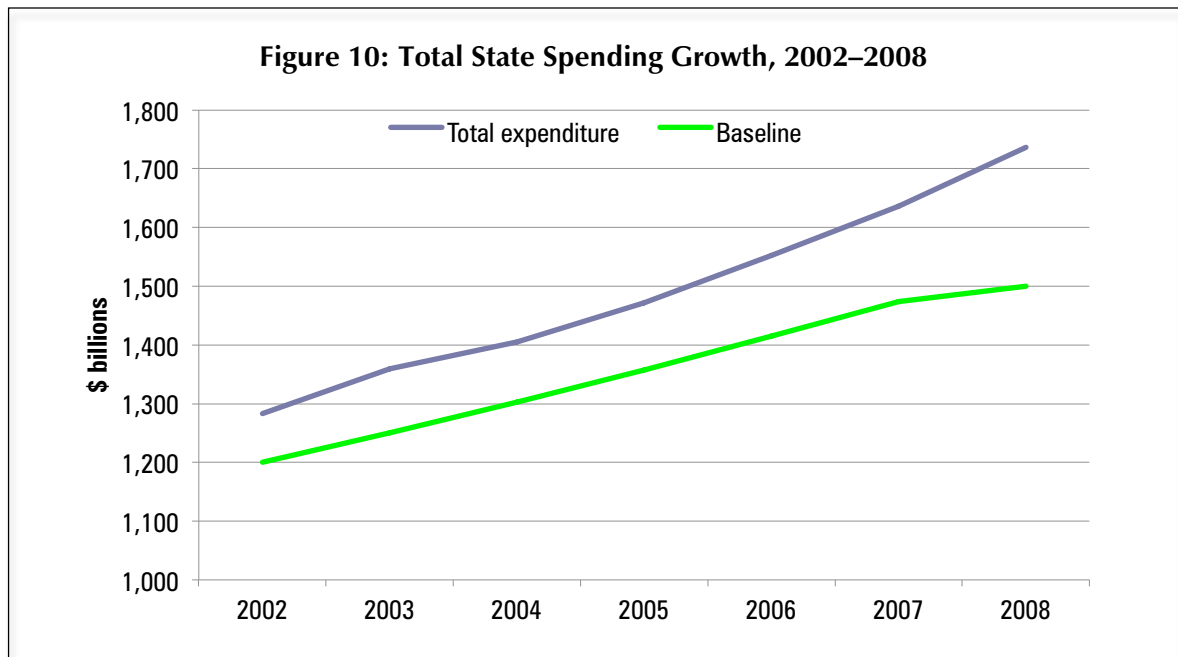


Table 13: Individual State Total Spending and Total Spending Per Capita, 2008

Rank	State	2008 Total Spending (\$ thousand)	2008 Total Spending Per Capita (\$ thousand)
1	Alaska	10,115,914	14,740
2	Wyoming	5,081,586	9,540
3	Delaware	7,151,941	8,192
4	Hawaii	10,533,869	8,177
5	Vermont	5,070,156	8,161
6	New York	157,397,509	8,076
7	New Mexico	15,793,049	7,959
8	Louisiana	33,003,929	7,483
9	Rhode Island	7,495,870	7,134
10	Massachusetts	45,634,948	7,023
11	New Jersey	58,539,173	6,742
12	Connecticut	23,528,530	6,720

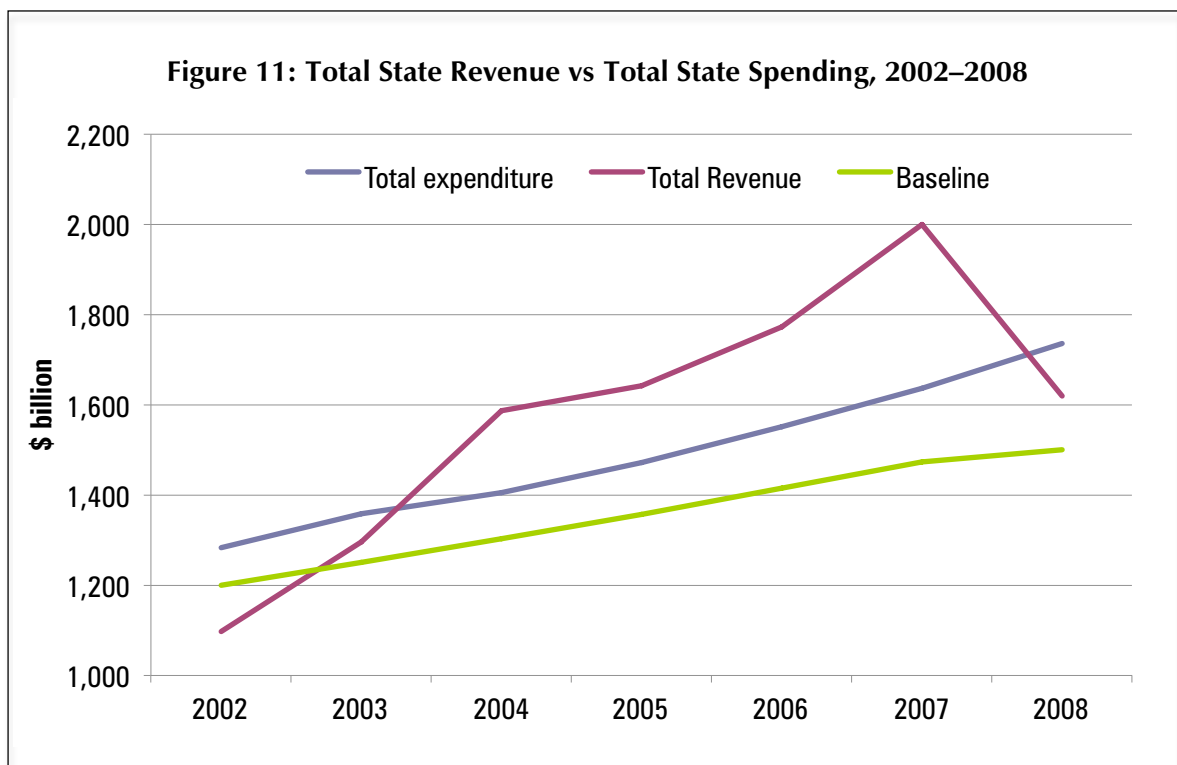
Table 13: Individual State Total Spending and Total Spending Per Capita, 2008			
Rank	State	2008 Total Spending (\$ thousand)	2008 Total Spending Per Capita (\$ thousand)
13	California	246,683,951	6,711
14	Minnesota	34,283,510	6,567
15	North Dakota	4,125,920	6,432
16	Mississippi	18,642,916	6,344
17	Montana	6,137,669	6,344
18	Maine	8,175,152	6,210
19	South Carolina	27,593,614	6,160
20	Washington	39,689,815	6,060
21	Maryland	34,029,818	6,041
22	Kentucky	25,421,531	5,955
23	Oregon	22,386,883	5,907
24	Ohio	67,788,590	5,902
25	Wisconsin	32,649,254	5,801
26	Pennsylvania	71,940,224	5,779
	United States	1,735,949,390	5,755
27	Michigan	56,869,012	5,685
28	West Virginia	10,139,699	5,588
29	Iowa	16,522,737	5,503
30	Arkansas	15,655,753	5,483
31	Alabama	24,892,739	5,379
32	Oklahoma	19,517,639	5,359
33	Kansas	14,968,811	5,342
34	Utah	14,293,669	5,223
35	Virginia	39,879,609	5,133
36	North Carolina	46,994,653	5,096
37	Idaho	7,675,083	5,037
38	New Hampshire	6,601,654	5,017
39	Illinois	63,368,160	4,912
40	Indiana	30,783,257	4,827
41	Arizona	30,778,930	4,735
42	Nebraska	8,443,129	4,734
43	Colorado	22,856,848	4,702
44	South Dakota	3,698,335	4,599
45	Missouri	26,788,804	4,532
46	Georgia	41,165,128	4,250
47	Tennessee	26,403,221	4,248
48	Florida	76,972,938	4,200
49	Nevada	10,845,375	4,171
50	Texas	100,938,886	4,149

Table 14: Individual State Total Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Louisiana	17,993,401	33,003,929	83%
2	Wyoming	2,948,182	5,081,586	72%
3	Arizona	18,606,630	30,778,930	65%
4	New Mexico	10,083,987	15,793,049	57%
5	Delaware	4,644,236	7,151,941	54%
6	Florida	51,838,351	76,972,938	48%
7	Idaho	5,234,047	7,675,083	47%
8	Nevada	7,410,738	10,845,375	46%
9	Mississippi	12,742,438	18,642,916	46%
10	Maryland	23,317,261	34,029,818	46%
11	Vermont	3,511,510	5,070,156	44%
12	Texas	70,036,258	100,938,886	44%
13	Montana	4,265,076	6,137,669	44%
14	Virginia	28,044,327	39,879,609	42%
15	North Carolina	33,123,528	46,994,653	42%
16	Hawaii	7,445,512	10,533,869	41%
17	Utah	10,107,055	14,293,669	41%
18	Kansas	10,591,633	14,968,811	41%
19	New Jersey	41,987,647	58,539,173	39%
20	Massachusetts	32,847,974	45,634,948	39%
21	Indiana	22,205,168	30,783,257	39%
22	Alabama	17,996,418	24,892,739	38%
23	Kentucky	18,424,584	25,421,531	38%
24	South Carolina	20,009,040	27,593,614	38%
25	New Hampshire	4,822,727	6,601,654	37%
26	Alaska	7,402,469	10,115,914	37%
27	North Dakota	3,020,393	4,125,920	37%
28	Arkansas	11,550,140	15,655,753	36%
	United States	1,282,852,187	1,735,949,390	35%
29	South Dakota	2,771,705	3,698,335	33%
30	California	184,927,602	246,683,951	33%
31	Oklahoma	14,727,332	19,517,639	33%
32	New York	119,198,996	157,397,509	32%
33	Colorado	17,324,984	22,856,848	32%
34	Tennessee	20,029,048	26,403,221	32%
35	Georgia	31,352,991	41,165,128	31%
36	Washington	30,378,008	39,689,815	31%
37	Maine	6,264,883	8,175,152	30%
38	Pennsylvania	55,170,768	71,940,224	30%
39	Rhode Island	5,766,687	7,495,870	30%
40	Iowa	12,720,752	16,522,737	30%
41	Nebraska	6,536,970	8,443,129	29%
42	Illinois	49,131,377	63,368,160	29%
43	Missouri	20,840,783	26,788,804	29%
44	Minnesota	26,692,608	34,283,510	28%

Table 14: Individual State Total Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
45	Ohio	53,473,400	67,788,590	27%
	Baseline	N/A	N/A	25%
46	Oregon	18,029,157	22,386,883	24%
47	Wisconsin	26,749,270	32,649,254	22%
48	Connecticut	20,117,270	23,528,530	17%
49	Michigan	49,027,432	56,869,012	16%
50	West Virginia	9,409,434	10,139,699	8%

Notice in Figure 11 how both total revenue and total expenditures greatly exceed the baseline. More interesting is that revenues exceeded expenditures for many years. Where did that extra revenue go? These data do not show the answer. One would think the states would have had massive rainy day funds to use to weather the recession. They certainly did not give the excess revenue back to the taxpayers.



Taking *total expenditures* and excluding spending on state liquor stores (in states where this anachronism still exists), utilities and many social insurance programs, including state employee retirement benefits, gives us *general expenditures*. This number also includes monies states receive from the federal government to support a variety of programs from highway construction to Medicaid. Excluding money from the federal government gives us *direct expenditures*, which encompass current operations, interest on debt, assistance and subsidies and capital outlays, among others.

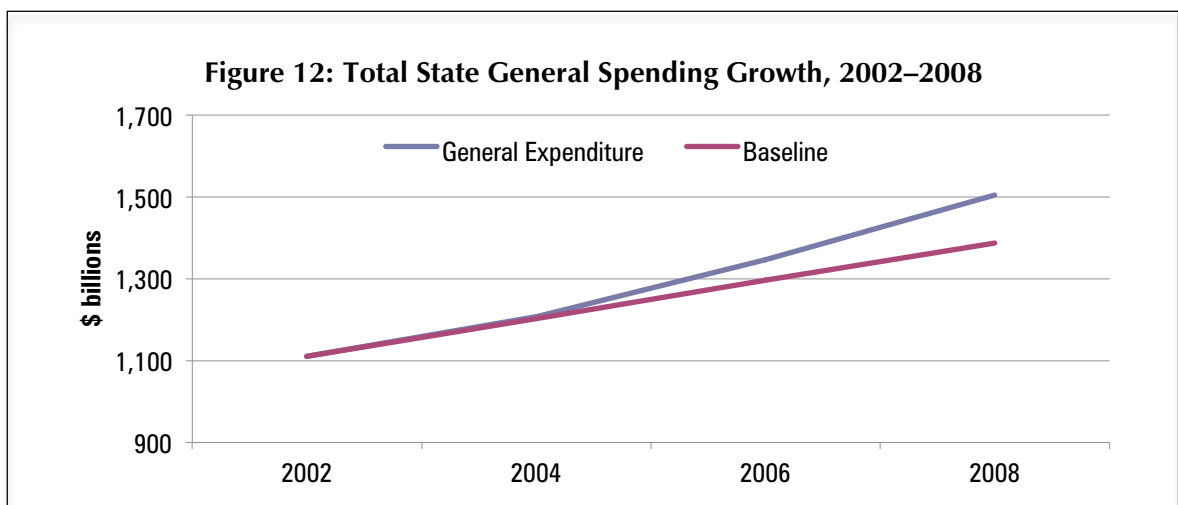
When evaluating how states managed their fiscal affairs, it can be argued that *direct expenditure* is the best measure. Direct expenditure spending is most directly controlled by state elected officials. *General expenditure*, on the other hand, gives us a fuller picture of state spending. States receive around 30% of their revenue from the federal government. This is because many federal policies and programs use grants to the states as funding mechanisms, incentives and instruments of control. Federal grants to transportation, education and welfare alone give the federal government tremendous influence over how states spend in those areas.

State lawmakers often like to complain about “federal mandates” on certain programs. Left unsaid, however, is that states are subjected to these mandates only because they choose to accept federal funds. For example, many state officials have complained about the testing requirements in the *No Child Left Behind* law. They had to comply with these requirements because of the education dollars they received from the federal government—about 8.3 cents on the dollar of total education spending. If states had turned down the federal money—again only pennies on the dollar—they would be free of not only the *NCLB* mandates, but every other federal mandate on education policy. But states don't seem willing to turn away from federal funds no matter how much it distorts their decisions.

Taking all of this into account, we choose to focus on *general expenditures*, so as to capture state spending including federal funds to reflect that bargain that states choose to accept. We also look at specific categories of spending defined by the Census Department. These don't perfectly match up with categories defined by state-level groups like the National Governors Association or the National Association of State Budget Officers but they provide a consistent view of actual spending.

A. General Expenditures

In 2008, general expenditures in the states totaled just over \$1.5 trillion, a 35% increase over 2002, when general expenditures were just over \$1.1 trillion, and well above the baseline of inflation and population growth at 25%.



Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Louisiana	15,836,393	29,983,212	89%
2	Wyoming	2,608,940	4,564,285	75%
3	Arizona	16,734,370	27,568,941	65%
4	New Mexico	9,213,597	14,412,908	56%
5	Delaware	4,231,092	6,561,474	55%
6	Nevada	6,304,874	9,319,965	48%
7	Texas	61,532,766	90,576,780	47%
8	Idaho	4,624,686	6,806,589	47%
9	Maryland	20,704,431	30,328,008	46%
10	Mississippi	11,461,763	16,776,821	46%
11	Florida	47,291,632	69,155,854	46%
12	Montana	3,784,702	5,423,506	43%
13	Hawaii	6,683,606	9,567,007	43%
14	Vermont	3,291,008	4,707,185	43%
15	North Carolina	29,537,271	42,107,428	43%
16	Virginia	25,545,848	36,415,455	43%
17	New Jersey	32,935,974	46,810,441	42%
18	Massachusetts	28,470,834	40,398,126	42%
19	Kansas	9,617,322	13,645,502	42%
20	Utah	9,142,538	12,966,773	42%
21	Indiana	20,584,712	28,417,734	38%
22	Alabama	16,160,326	22,170,605	37%
23	Alaska	6,702,256	9,148,545	36%
24	Kentucky	16,394,058	22,363,052	36%
25	New Hampshire	4,176,687	5,672,446	36%
	United States	1,110,668,889	1,504,529,418	35%
26	Washington	25,160,311	34,091,969	35%
27	Arkansas	10,634,159	14,354,884	35%
28	South Carolina	17,048,314	22,988,332	35%
29	North Dakota	2,812,686	3,789,848	35%
30	Oklahoma	12,904,144	17,208,905	33%
31	South Dakota	2,554,212	3,400,145	33%
32	Tennessee	18,489,355	24,565,001	33%
33	New York	96,528,968	128,221,439	33%
34	California	158,235,437	208,782,657	32%
35	Maine	5,670,144	7,449,178	31%
36	Colorado	14,795,822	19,341,732	31%
37	Iowa	11,435,526	14,830,301	30%
38	Nebraska	6,219,242	8,024,395	29%
39	Pennsylvania	47,147,270	60,791,234	29%
40	Minnesota	23,477,924	30,255,260	29%
41	Ohio	42,361,985	54,580,967	29%
42	Rhode Island	4,842,611	6,228,442	29%
43	West Virginia	7,560,308	9,681,035	28%
44	Illinois	42,678,167	54,310,201	27%

Table 15: Individual State General Spending Growth 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
45	Georgia	28,465,937	36,164,925	27%
46	Missouri	18,707,684	23,621,358	26%
	Baseline	N/A	N/A	25%
47	Oregon	14,884,121	18,076,076	21%
48	Wisconsin	23,118,991	28,019,994	21%
49	Connecticut	17,536,472	20,057,458	14%
50	Michigan	43,827,413	49,825,040	14%

This spending above baseline adds up. By 2008 states were spending \$117 billion per year more than if they had stuck to the baseline. And this spending occurred when welfare and unemployment rolls were *declining*. Unemployment, for example, fell from around 6% in 2002 to around 4.6% in 2007, before rising again to 5.8% in 2008 as the recession began. Yet as the section below on welfare spending shows, states massively expanded spending on welfare during this period. How ironic that the \$117 billion *per year* in spending above the baseline by states was more than they requested in bailouts from the federal government at the height of the recession.

And look again at Table 15. Notice that five states (LA, WY, AZ, NM, DE) grew spending by more than 50%—more than *twice the rate of growth of the baseline*. And six more states grew their spending by more than 45% (NV, TX, ID, MD, MS, FL)—a spending spree. Two of these states, Louisiana and Mississippi, experienced devastating storms in 2005, which accounts for much of their increased spending. A few other states experienced faster population growth than the nation as a whole, but not twice as much, and in none of these states does this growth account for the higher spending.

B. Spending by Major Categories

The above figures cover overall spending. Looking at major categories of spending and their growth over the six years between 2002 and 2008 provides insight into the spending priorities in the states. In percentage terms, debt payments grew the fastest, while in dollar terms spending on welfare, education and salaries grew a whopping \$343 billion.

Table 16: Total State Spending Category Growth, 2002–2008			
Spending Category	2002 Spending (\$ thousands)	2008 Spending (\$ thousands)	Difference
Interest on General Debt	31,407,303	46,753,214	49%
Hospitals	37,500,128	53,682,058	43%
Public Welfare	288,593,877	412,141,472	43%
Education	389,407,676	546,825,678	40%
Salaries and Wages	167,841,309	229,818,658	37%
Corrections	38,875,374	49,897,531	28%
Highways	84,068,470	107,190,485	28%
Police Protection	10,705,936	13,594,279	27%
Natural Resources	17,821,117	22,522,407	26%

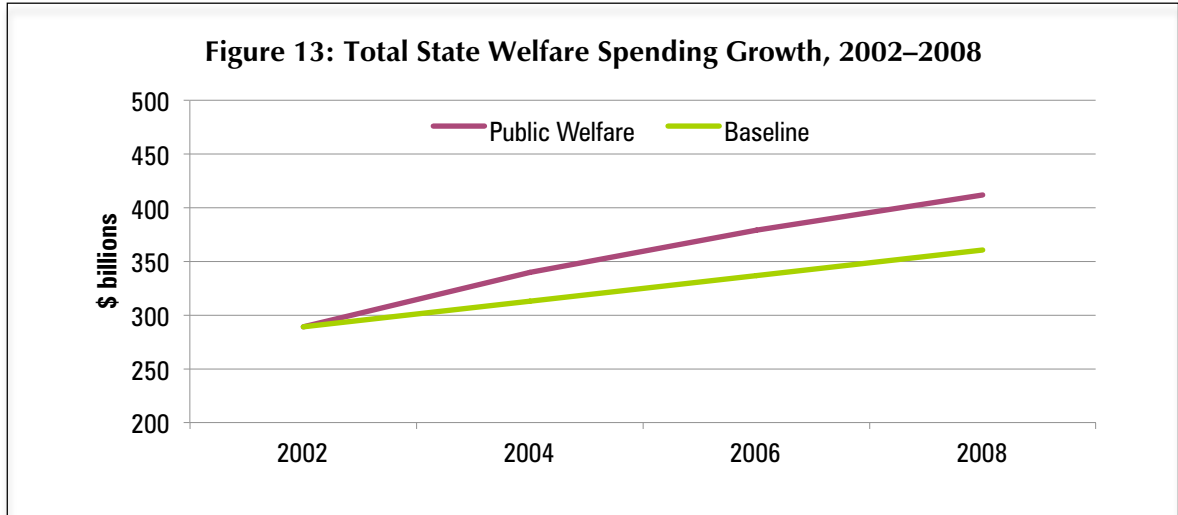
Table 16: Total State Spending Category Growth, 2002–2008

Spending Category	2002 Spending (\$ thousands)	2008 Spending (\$ thousands)	Difference
Baseline	N/A	N/A	25%
Government Administration	41,065,153	53,698,587	24%
Health	50,549,676	60,957,320	21%
Parks and Recreation	6,183,538	6,396,814	3%

1) Public Welfare

In 2008, states spent over \$412 billion on public welfare, making it the second largest spending category after education. Welfare spending grew by 43% from 2002, well above the baseline. Eight states (MA, DE, AZ, LA, NJ, NM, WY and VA) expanded welfare spending by over 75%. No state decreased spending on welfare during this period.

This category covers a range of spending, but Medicaid and nursing home care accounts for the overwhelming majority. In recent years, this has been one of the fastest rising areas of state spending. Add in federal spending on Medicaid and this has emerged as the single largest item in states' budgets. In the coming years it will consume ever larger shares of state budgets, crowding out other priorities. Some of this crowding out is evidenced in other categorical spending that is detailed below.

**Table 17: Individual State Welfare Spending Growth, 2002–2008**

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Massachusetts	5,987,846	12,682,783	112%
2	Delaware	702,892	1,451,463	106%
3	Arizona	3,998,137	7,927,027	98%
4	Louisiana	3,080,895	5,828,886	89%
5	New Jersey	6,703,300	12,420,936	85%
6	New Mexico	2,028,295	3,558,863	75%
7	Wyoming	374,206	656,176	75%
8	Virginia	4,199,553	7,354,674	75%

Table 17: Individual State Welfare Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
9	North Carolina	6,845,986	11,652,949	70%
10	Vermont	766,092	1,253,623	64%
11	Idaho	1,003,118	1,614,703	61%
12	Kansas	1,986,407	3,167,907	59%
13	New Hampshire	974,600	1,544,997	59%
14	Illinois	10,940,019	17,167,067	57%
15	Indiana	5,124,522	8,034,079	57%
16	Connecticut	3,599,348	5,621,038	56%
17	Maryland	4,625,705	7,118,659	54%
18	Florida	11,878,904	18,063,299	52%
19	Nevada	1,040,294	1,580,454	52%
20	Texas	15,270,585	23,048,973	51%
21	Oklahoma	3,202,402	4,821,034	51%
22	Iowa	2,617,128	3,904,781	49%
23	Arkansas	2,577,745	3,771,732	46%
24	Colorado	3,131,520	4,557,057	46%
	United States	288,593,877	412,141,472	43%
25	Michigan	9,524,431	13,430,826	41%
26	California	42,965,482	60,191,685	40%
27	Ohio	11,504,467	16,113,757	40%
28	Utah	1,580,580	2,203,414	39%
29	Hawaii	1,125,980	1,563,961	39%
30	Maine	1,801,953	2,492,721	38%
31	South Dakota	592,754	811,709	37%
32	Montana	659,976	888,748	35%
33	Minnesota	6,741,114	9,045,789	34%
34	Rhode Island	1,690,087	2,230,969	32%
35	New York	34,598,240	44,763,366	29%
36	Kentucky	4,796,130	6,198,814	29%
37	Mississippi	3,412,798	4,405,435	29%
38	Alaska	1,150,533	1,477,255	28%
39	Nebraska	1,661,269	2,099,052	26%
40	Pennsylvania	15,118,232	19,032,829	26%
41	Tennessee	6,896,284	8,664,226	26%
	Baseline	N/A	N/A	25%
42	South Carolina	4,373,330	5,477,881	25%
43	Washington	6,174,456	7,612,755	23%
44	North Dakota	627,303	773,278	23%
45	Georgia	7,825,282	9,644,769	23%
46	West Virginia	2,135,874	2,565,426	20%
47	Wisconsin	5,514,657	6,524,417	18%
48	Missouri	5,496,624	6,231,774	13%
49	Oregon	3,856,484	4,311,257	12%
50	Alabama	4,110,058	4,582,199	11%

2) Education

Education is the single biggest category of state spending. In 2008, states spent \$547 billion on education, a 40% increase from 2002, far above the baseline rate of 25%. Eleven states (WY, MA, NV, MD, TX, DE, AL, NY, VT, ID, NJ) expanded education spending by over 50%, twice the baseline rate of growth. No states decreased spending on education during this period.

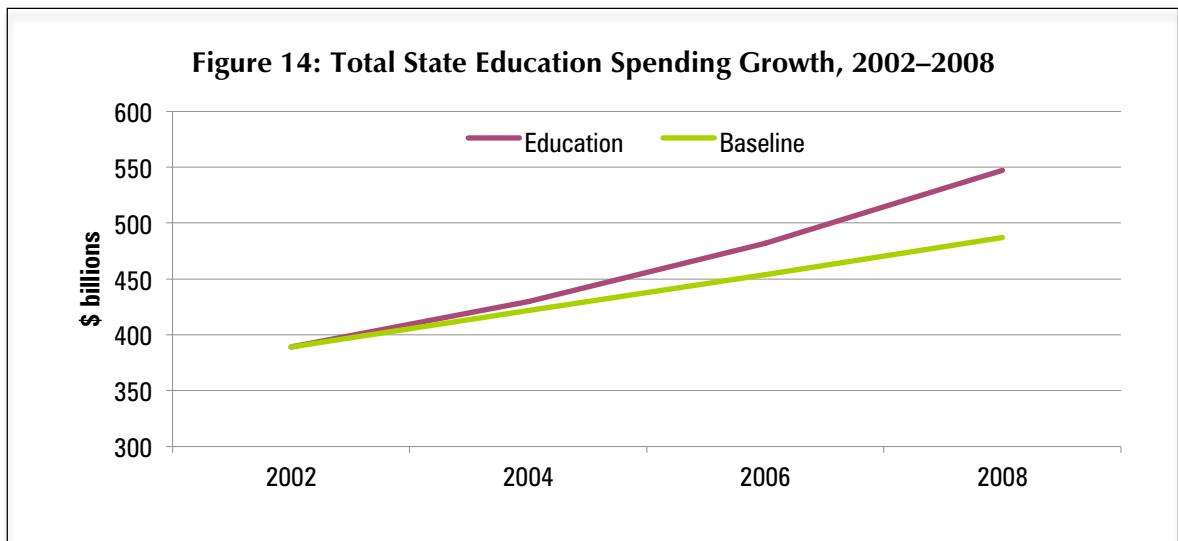


Table 18: Individual State Education Spending Growth, 2002–2009

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Wyoming	865,530	1,537,792	78%
2	Massachusetts	6,553,103	10,714,000	63%
3	Nevada	2,523,220	4,069,362	61%
4	Maryland	6,891,617	10,991,254	59%
5	Texas	25,763,230	40,672,485	58%
6	Delaware	1,433,753	2,263,320	58%
7	Alabama	6,811,434	10,658,472	56%
8	New York	25,562,251	39,764,174	56%
9	Vermont	1,340,246	2,062,824	54%
10	Idaho	1,829,520	2,774,669	52%
11	New Jersey	10,243,518	15,432,044	51%
12	Hawaii	2,257,402	3,393,565	50%
13	Louisiana	6,047,120	9,083,468	50%
14	Arizona	6,326,736	9,408,525	49%
15	Kentucky	5,870,554	8,718,692	49%
16	Florida	15,643,056	23,192,406	48%
17	West Virginia	2,495,321	3,676,900	47%
18	North Carolina	11,956,287	17,438,492	46%
19	Arkansas	4,375,237	6,311,833	44%
20	Kansas	3,987,803	5,750,358	44%
21	South Carolina	5,656,159	8,151,202	44%
22	New Mexico	3,514,151	5,024,928	43%
23	Virginia	9,848,113	14,053,415	43%

Table 18: Individual State Education Spending Growth, 2002–2009				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
24	Montana	1,289,328	1,839,799	43%
25	Minnesota	8,819,706	12,424,773	41%
26	North Dakota	942,956	1,325,310	41%
	United States	389,407,676	546,825,678	40%
27	Mississippi	3,922,172	5,471,275	39%
28	Utah	4,327,496	6,036,050	39%
29	Pennsylvania	13,775,297	19,199,292	39%
30	Tennessee	6,094,892	8,479,938	39%
31	Alaska	1,566,815	2,165,387	38%
32	South Dakota	798,769	1,103,636	38%
33	Colorado	5,798,172	7,985,963	38%
34	Washington	10,298,100	14,109,473	37%
35	California	53,610,067	73,276,865	37%
36	Maine	1,505,432	2,018,539	34%
37	Indiana	7,930,896	10,616,678	34%
38	Oklahoma	5,268,719	7,046,621	34%
39	Georgia	12,154,631	16,179,676	33%
40	Nebraska	2,191,323	2,909,668	33%
41	New Hampshire	1,530,290	2,019,883	32%
42	Oregon	5,207,933	6,768,386	30%
43	Ohio	15,625,913	20,120,162	29%
44	Missouri	6,717,220	8,604,958	28%
45	Rhode Island	1,343,682	1,702,825	27%
46	Iowa	4,576,530	5,790,799	27%
	Baseline	N/A	N/A	25%
47	Wisconsin	8,299,045	10,329,906	24%
48	Connecticut	4,785,884	5,850,358	22%
49	Illinois	14,098,492	16,342,627	16%
50	Michigan	19,132,555	21,962,651	15%

3) Interest on Debt

In 2008, states spent just over \$47 billion to service their debt, a 49% increase over 2002, almost twice the baseline rate of growth. At the end of FY 2008, general state debt stood at just over \$1 trillion, 58% higher than in 2002. So, during years when both revenue and expenditures were greatly exceeding the baseline, *and* when general revenues were exceeding general expenditures, the states were more than doubling their debt burden. Thus some of their expenditure growth was debt-fueled, meaning there was even more excess revenue than the data shows.

Seven states (IA, AZ, KS, IN, CO, NM, OK) went on a rampage of borrowing, driving up their debt payments by over 100%—four times the baseline. At the same time, while not growing debt by as much, California's debt in 2008 was \$123 billion, a huge share of its 2008 general revenues of \$194 billion, and New York's \$133 billion debt was well over its annual general revenue of \$114 billion. Only three states (NE, HI, WY) reduced their spending on debt during this period.

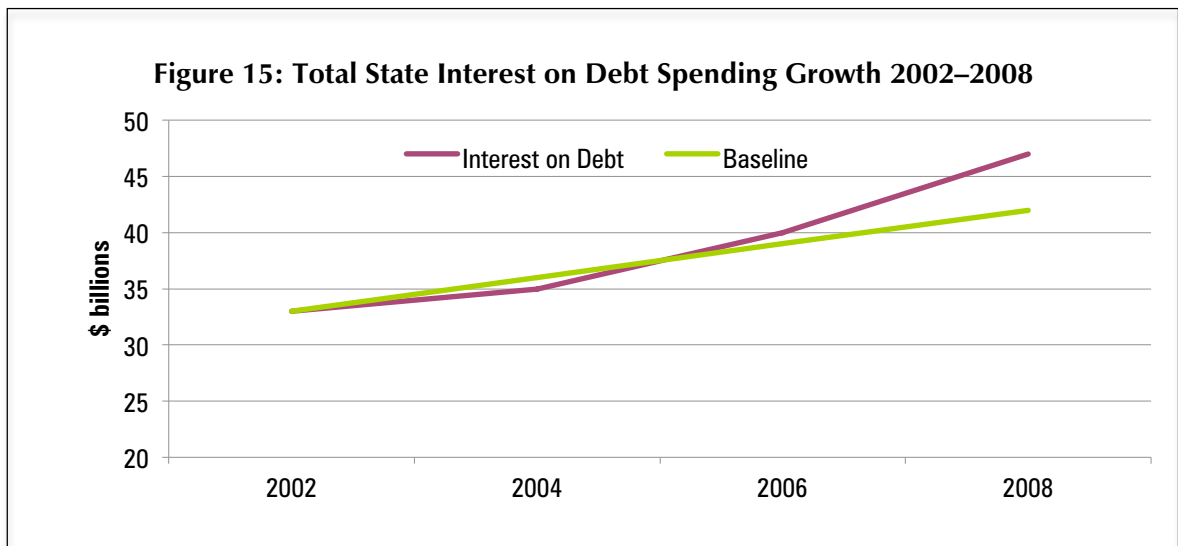


Table 19: Individual State Interest on Debt Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Iowa	123,134	391,988	218%
2	Arizona	185,777	493,484	166%
3	Kansas	126,813	334,469	164%
4	Indiana	397,443	967,653	143%
5	Colorado	352,320	848,776	141%
6	New Mexico	192,180	392,772	104%
7	Oklahoma	258,281	517,306	100%
8	North Dakota	86,602	164,425	90%
9	Pennsylvania	1,073,026	1,984,366	85%
10	Missouri	567,965	1,045,801	84%
11	Oregon	250,533	450,490	80%
12	California	3,404,946	6,084,752	79%
13	Louisiana	505,717	903,661	79%
14	New Jersey	1,198,998	2,057,817	72%

Table 19: Individual State Interest on Debt Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
15	Rhode Island	256,511	419,869	64%
16	Illinois	1,846,927	2,867,051	55%
17	Washington	673,936	1,039,159	54%
18	Florida	1,051,981	1,604,312	53%
	United States	31,407,303	46,753,214	49%
19	Maryland	710,689	1,046,312	47%
20	Utah	187,591	275,837	47%
21	Montana	142,663	209,308	47%
22	Wisconsin	736,856	1,060,901	44%
23	Minnesota	354,370	496,677	40%
24	Arkansas	138,389	193,767	40%
25	Nevada	149,556	206,948	38%
26	Massachusetts	2,687,146	3,716,517	38%
27	Georgia	433,247	598,122	38%
28	New York	3,647,059	4,974,321	36%
29	Alabama	241,867	328,836	36%
30	Vermont	134,013	181,054	35%
31	Texas	904,260	1,189,733	32%
32	Ohio	1,134,954	1,440,693	27%
	<i>Baseline</i>	N/A	N/A	25%
33	Michigan	1,063,637	1,309,650	23%
34	Virginia	721,485	882,679	22%
35	South Carolina	652,074	784,661	20%
36	New Hampshire	321,832	381,127	18%
37	North Carolina	582,690	676,360	16%
38	Alaska	275,884	317,643	15%
39	Idaho	141,541	162,233	15%
40	South Dakota	120,082	136,008	13%
41	Mississippi	210,862	238,668	13%
42	Kentucky	449,740	503,054	12%
43	Connecticut	1,137,938	1,265,952	11%
44	Maine	238,184	257,910	8%
45	Tennessee	198,272	214,413	8%
46	West Virginia	237,521	255,121	7%
47	Delaware	255,396	269,560	6%
48	Nebraska	109,795	107,999	-2%
49	Hawaii	462,296	441,026	-5%
50	Wyoming	72,324	61,973	-14%

4) Hospitals

States spent just over \$54 billion on hospitals in 2008, a 43% increase over 2002, far above the baseline rate of growth of 25%. This category generally provides for the management, construction and upkeep of government-owned hospitals, chiefly those run by public universities. Five states (KS, FL, HI, KY, VT) increased hospital spending over 100%—four times the baseline. Eleven states (AZ, OR, TN, DE, MA, MT, RI, IN, LA, ND, WY) reduced hospital spending during this period.

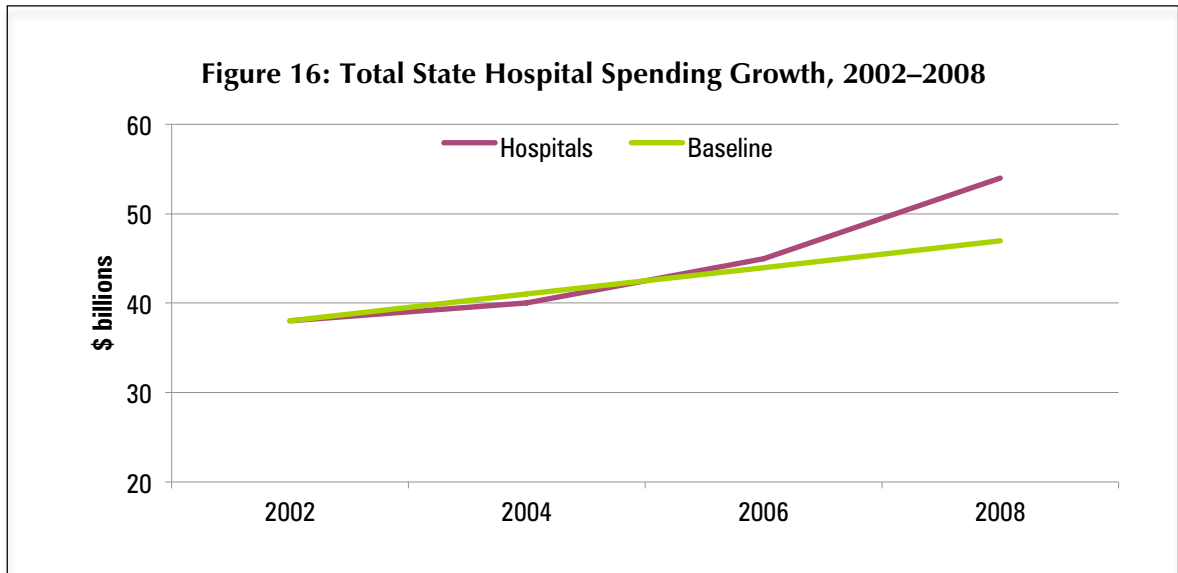


Table 20: Individual State Hospital Spending Growth 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Kansas	104,270	973,004	833%
2	Florida	180,226	831,028	361%
3	Hawaii	184,789	531,055	187%
4	Kentucky	493,083	1,100,758	123%
5	Vermont	9,469	20,092	112%
6	Minnesota	206,749	404,712	96%
7	Washington	916,540	1,743,784	90%
8	New Mexico	399,073	749,990	88%
9	South Carolina	904,894	1,684,779	86%
10	Arkansas	454,503	810,637	78%
11	Nevada	131,858	234,044	77%
12	Colorado	253,652	437,822	73%
13	Wisconsin	657,460	1,106,220	68%
14	Utah	493,631	823,297	67%
15	Virginia	1,718,084	2,849,911	66%
16	Ohio	1,265,901	2,089,571	65%
17	Alabama	1,118,262	1,808,175	62%
18	California	4,356,641	6,888,770	58%
19	New Jersey	1,342,955	2,062,211	54%
20	Iowa	724,555	1,092,682	51%

Table 20: Individual State Hospital Spending Growth 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
21	Missouri	888,708	1,322,145	49%
22	New York	3,393,257	4,896,242	44%
	United States	37,500,128	53,682,058	43%
23	Mississippi	665,019	953,339	43%
24	Michigan	1,630,410	2,299,233	41%
25	Nebraska	171,234	239,294	40%
26	South Dakota	44,001	60,769	38%
27	Maryland	400,821	541,820	35%
28	New Hampshire	45,600	60,361	32%
29	Oklahoma	172,039	227,554	32%
30	Georgia	634,079	805,443	27%
31	Pennsylvania	2,233,567	2,821,303	26%
	Baseline	N/A	N/A	25%
32	Maine	46,493	56,286	21%
33	North Carolina	1,289,041	1,460,906	13%
34	Texas	3,238,451	3,570,780	10%
35	Illinois	922,299	1,004,573	9%
36	Alaska	32,869	35,054	7%
37	West Virginia	101,720	106,482	5%
38	Idaho	45,326	47,310	4%
39	Connecticut	1,354,754	1,395,751	3%
40	Arizona	73,430	71,539	-3%
41	Oregon	1,190,151	1,154,493	-3%
42	Tennessee	436,774	407,688	-7%
43	Delaware	68,578	63,435	-7%
44	Massachusetts	513,301	466,869	-9%
45	Montana	50,060	44,955	-10%
46	Rhode Island	113,599	87,528	-23%
47	Indiana	268,447	198,120	-26%
48	Louisiana	1,489,729	1,021,434	-31%
49	North Dakota	44,311	16,426	-63%
50	Wyoming	25,465	2,384	-91%

5) Salaries and Wages

State employees took home just over \$230 billion in salaries and wages in 2008, a 37% increase over 2002, well above the baseline 25%. This represents the third biggest line item in state budgets, although it is rarely reported as such. Note that this figure does not include the costs of benefits, such as health care and pensions. Eight states (NJ, DE, KS, SD, TX, UT, IL, ND) increased their spending on salaries and wages by over 50%—twice the baseline rate of growth. Only three states (MI, IA, ME) reduced spending on salaries and wages during this period.

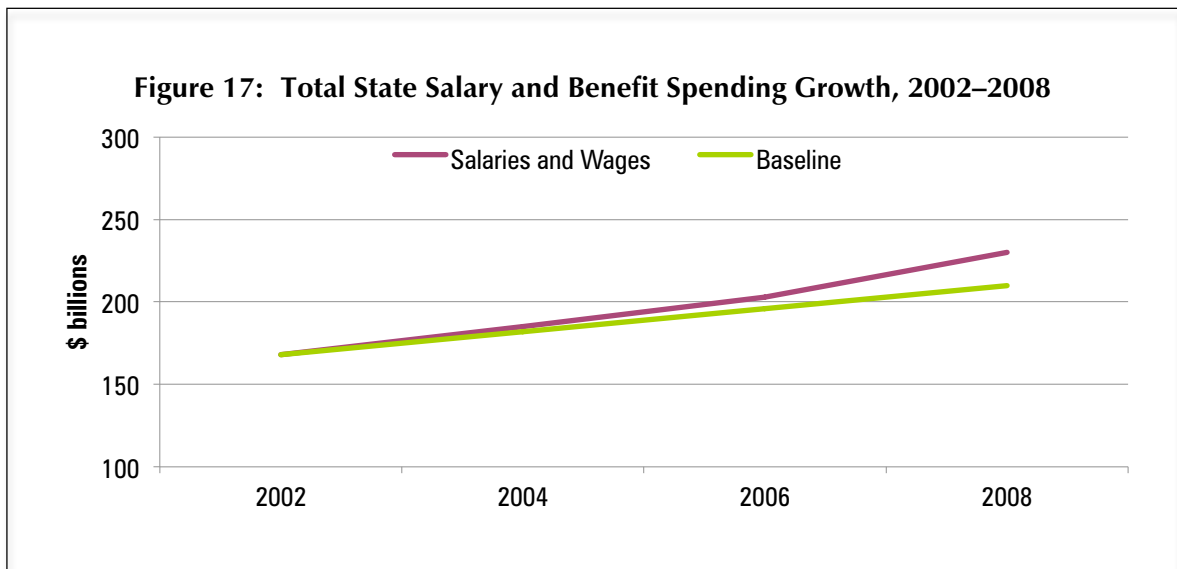


Table 21: Individual State Salary and Benefit Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	New Jersey	2,024,907	9,891,720	389%
2	Delaware	1,073,747	2,267,018	111%
3	Kansas	1,598,382	3,174,710	99%
4	South Dakota	445,460	843,292	89%
5	Texas	8,212,409	14,102,858	72%
6	Utah	1,500,634	2,449,264	63%
7	Illinois	5,332,743	8,486,416	59%
8	North Dakota	518,629	816,227	57%
9	North Carolina	5,292,930	8,084,597	53%
10	Hawaii	1,733,613	2,563,142	48%
11	Oregon	2,685,408	3,901,453	45%
12	Wyoming	439,434	633,251	44%
13	New Mexico	1,579,540	2,256,305	43%
14	California	19,938,389	27,788,543	39%
15	Nevada	1,139,044	1,579,819	39%
16	Alaska	1,097,282	1,515,581	38%
17	South Carolina	2,643,426	3,639,952	38%
18	Wisconsin	3,066,228	4,203,579	37%
	United States	167,841,309	229,818,658	37%

Table 21: Individual State Salary and Benefit Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
19	Vermont	544,324	733,895	35%
20	Connecticut	3,182,095	4,287,819	35%
21	Alabama	3,115,437	4,194,385	35%
22	Florida	6,490,375	8,637,026	33%
23	Tennessee	2,783,821	3,695,776	33%
24	Virginia	4,682,335	6,214,596	33%
25	New Hampshire	715,703	947,324	32%
26	Mississippi	1,708,423	2,252,581	32%
27	Arizona	2,539,720	3,343,240	32%
28	Montana	672,507	879,718	31%
29	Minnesota	3,775,469	4,924,638	30%
30	New York	12,635,975	16,348,779	29%
31	Ohio	6,095,515	7,883,170	29%
32	Colorado	2,765,058	3,553,624	29%
33	Kentucky	2,933,671	3,737,072	27%
34	Georgia	3,951,121	5,008,399	27%
35	Washington	4,946,594	6,254,115	26%
	Baseline	N/A	N/A	25%
36	Idaho	850,004	1,040,874	22%
37	Indiana	3,125,020	3,742,390	20%
38	Maryland	3,974,484	4,724,830	19%
39	Pennsylvania	6,651,302	7,802,801	17%
40	Massachusetts	4,294,159	5,010,065	17%
41	Louisiana	3,709,689	4,262,552	15%
42	Missouri	3,216,297	3,661,593	14%
43	Nebraska	1,835,657	2,076,389	13%
44	Rhode Island	1,022,339	1,093,981	7%
45	Arkansas	1,755,130	1,855,064	6%
46	West Virginia	1,368,243	1,441,006	5%
47	Oklahoma	2,940,522	2,976,703	1%
48	Michigan	6,038,060	5,974,110	-1%
49	Iowa	2,402,008	2,301,969	-4%
50	Maine	798,047	760,447	-5%

6) Government Administration

States spent just over \$54 billion running their government in 2008, a 24% increase over 2002, which was about the baseline rate of growth. However, 15 states increased their administrative spending more than 50%, and four (CO, WY, SC, PA) increased it more than 75%. Eight states (MO, OR, WV, IL, OH, KS, IN, VT) decreased spending on administration during this period.

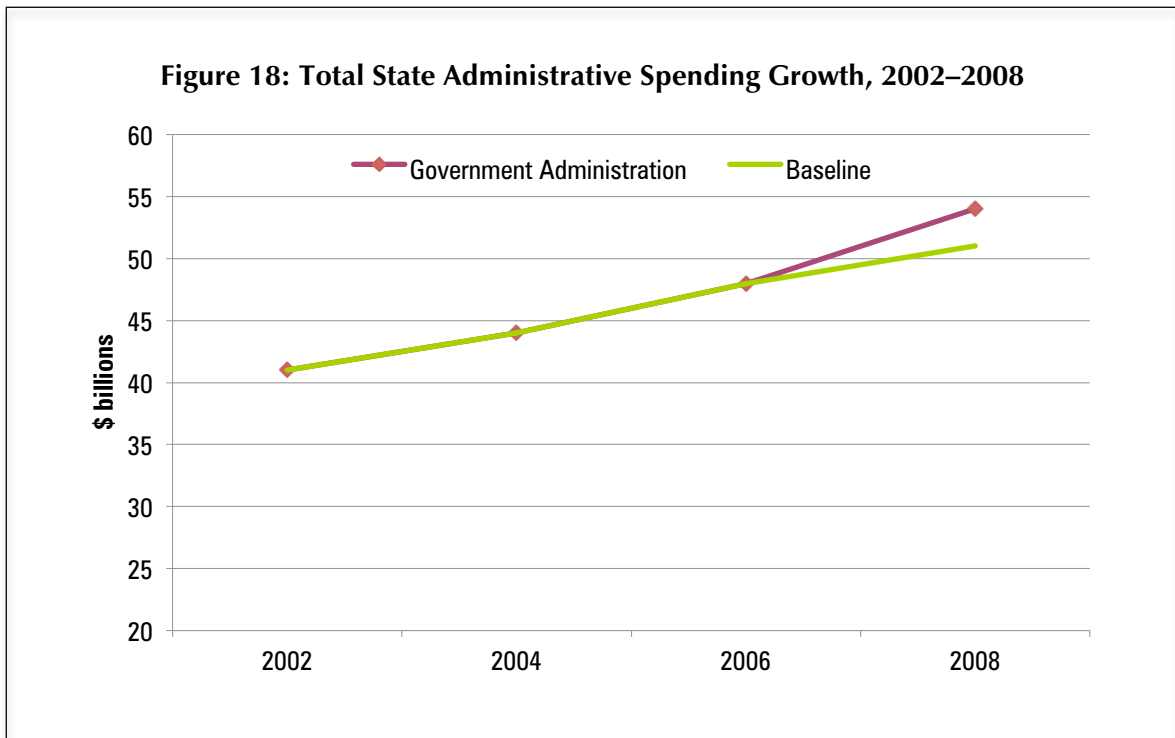


Table 22: Individual State Administrative Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Colorado	422,050	869,746	106%
2	Wyoming	100,346	200,990	100%
3	South Carolina	561,369	1,094,646	95%
4	Pennsylvania	1,406,324	2,508,325	78%
5	Tennessee	459,698	788,765	72%
6	Montana	218,190	362,540	66%
7	South Dakota	103,417	169,363	64%
8	Idaho	221,628	360,140	62%
9	Louisiana	577,908	929,882	61%
10	Mississippi	203,766	327,410	61%
11	Alaska	364,837	574,841	58%
12	Florida	1,932,140	2,982,756	54%
13	Utah	463,112	712,868	54%
14	Nevada	198,158	300,560	52%
15	New Mexico	349,026	528,382	51%
16	Maryland	844,086	1,243,982	47%

Table 22: Individual State Administrative Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
17	Arizona	522,310	767,263	47%
18	Washington	541,929	785,458	45%
19	North Carolina	816,862	1,177,769	44%
20	New York	4,080,248	5,875,815	44%
21	Arkansas	411,078	591,373	44%
22	Rhode Island	259,607	362,174	40%
23	Alabama	415,209	576,755	39%
24	Delaware	349,326	483,562	38%
25	New Jersey	1,359,144	1,861,067	37%
26	Massachusetts	1,277,967	1,666,967	30%
27	Hawaii	376,034	486,718	29%
28	Minnesota	672,031	857,460	28%
29	Maine	255,334	325,779	28%
30	California	6,933,060	8,838,202	27%
	Baseline	N/A	N/A	25%
31	Nebraska	164,848	204,921	24%
	United States	41,065,153	53,698,587	24%
32	Kentucky	682,808	840,386	23%
33	New Hampshire	194,141	237,721	22%
34	Connecticut	913,121	1,116,120	22%
35	Georgia	680,850	815,307	20%
36	North Dakota	104,385	122,952	18%
37	Michigan	932,106	1,073,964	15%
38	Texas	1,363,113	1,563,297	15%
39	Oklahoma	480,895	539,815	12%
40	Virginia	1,099,124	1,233,436	12%
41	Iowa	497,392	554,993	12%
42	Wisconsin	633,302	673,364	6%
43	Missouri	547,846	541,561	-1%
44	Oregon	901,671	888,704	-1%
45	West Virginia	429,462	412,403	-4%
46	Illinois	1,319,877	1,216,329	-8%
47	Ohio	1,961,432	1,797,276	-8%
48	Kansas	502,328	459,166	-9%
49	Indiana	767,851	638,989	-17%
50	Vermont	192,407	156,325	-19%

7) Highways

In 2008, states allocated just over \$107 billion to highway construction and maintenance, a 28% increase over 2002. This is above the 25% baseline spending, but slightly below the rate of increase in overall state spending. These are state own-source funds and do not reflect federal spending on highways. Interestingly, a number of states actually reduced their expenditures on highways from 2002. Eight states (NV, NM, CT, CO, AR, MA, SC, RI) reduced highway spending during this period.

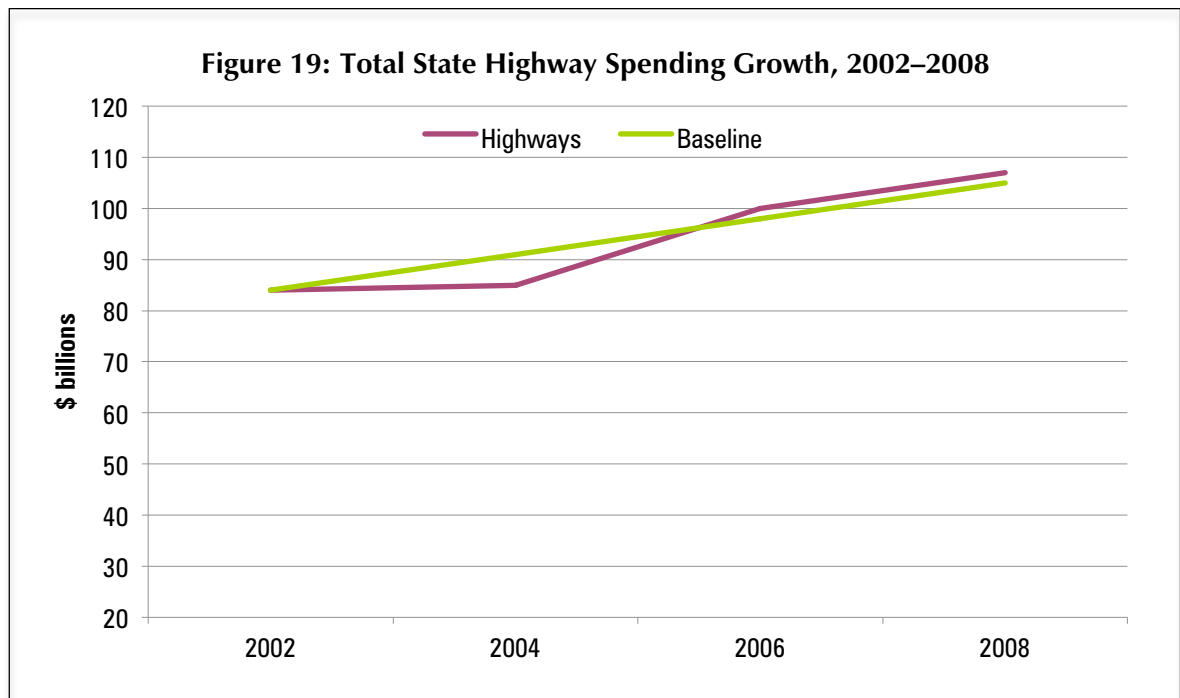


Table 23: Individual State Highway Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Louisiana	1,052,837	2,132,077	103%
2	Alaska	687,407	1,315,648	91%
3	Oregon	817,455	1,528,591	87%
4	Hawaii	235,699	407,711	73%
5	Washington	1,795,486	2,924,464	63%
6	Texas	5,026,554	7,915,817	57%
7	California	7,898,554	12,173,649	54%
8	Maryland	1,642,654	2,510,419	53%
9	Florida	4,825,770	7,163,763	48%
10	Wyoming	356,733	521,164	46%
11	Pennsylvania	4,566,041	6,570,331	44%
12	Arizona	1,679,641	2,367,086	41%
13	Idaho	499,916	696,062	39%

Table 23: Individual State Highway Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
14	Montana	452,804	617,439	36%
15	Delaware	369,702	496,382	34%
16	New York	3,295,118	4,380,808	33%
17	Mississippi	968,774	1,284,377	33%
18	Kentucky	1,730,952	2,241,275	29%
19	Minnesota	1,665,910	2,136,933	28%
	United States	84,068,470	107,190,485	28%
20	Indiana	1,569,976	1,996,582	27%
	Baseline	N/A	N/A	25%
21	Utah	856,014	1,061,364	24%
22	North Carolina	2,629,038	3,253,678	24%
23	Illinois	3,655,570	4,510,194	23%
24	North Dakota	376,668	458,616	22%
25	New Jersey	2,256,707	2,736,419	21%
26	Nebraska	526,457	631,028	20%
27	New Hampshire	377,200	440,079	17%
28	Oklahoma	1,263,088	1,472,367	17%
29	Georgia	2,004,684	2,287,471	14%
30	Virginia	2,822,839	3,146,902	11%
31	Wisconsin	1,716,735	1,901,463	11%
32	Vermont	296,473	324,868	10%
33	Alabama	1,255,800	1,373,098	9%
34	Tennessee	1,533,906	1,668,715	9%
35	Missouri	1,871,062	2,034,235	9%
36	Kansas	1,130,728	1,213,980	7%
37	Maine	462,147	479,580	4%
38	West Virginia	986,477	1,015,587	3%
39	Ohio	3,138,661	3,215,512	2%
40	South Dakota	420,346	429,629	2%
41	Michigan	2,716,985	2,763,775	2%
42	Iowa	1,360,300	1,381,730	2%
43	Nevada	630,771	609,250	-3%
44	New Mexico	938,380	895,994	-5%
45	Connecticut	851,493	795,191	-7%
46	Colorado	1,421,381	1,281,596	-10%
47	Arkansas	1,078,784	915,510	-15%
48	Massachusetts	2,743,702	2,245,666	-18%
49	South Carolina	1,348,549	1,064,541	-21%
50	Rhode Island	259,542	201,869	-22%

8) Natural Resources

In 2008, states spent just over \$22 billion on natural resources, a 26% increase since 2002, just about the baseline rate of growth. Eleven states (TN, WY, LA, CO, NH, NM, AZ, NY, WI, CA, MT) increased spending in this area by over 50%—twice the baseline rate of growth. Eight states (WV, GA, MN, OH, RI, I, CT, IL) reduced spending on natural resources during this period.

Broadly speaking, “natural resources” covers state spending on land, forestry and rivers management. It also covers the costs of enforcing environmental and land use laws and regulations.

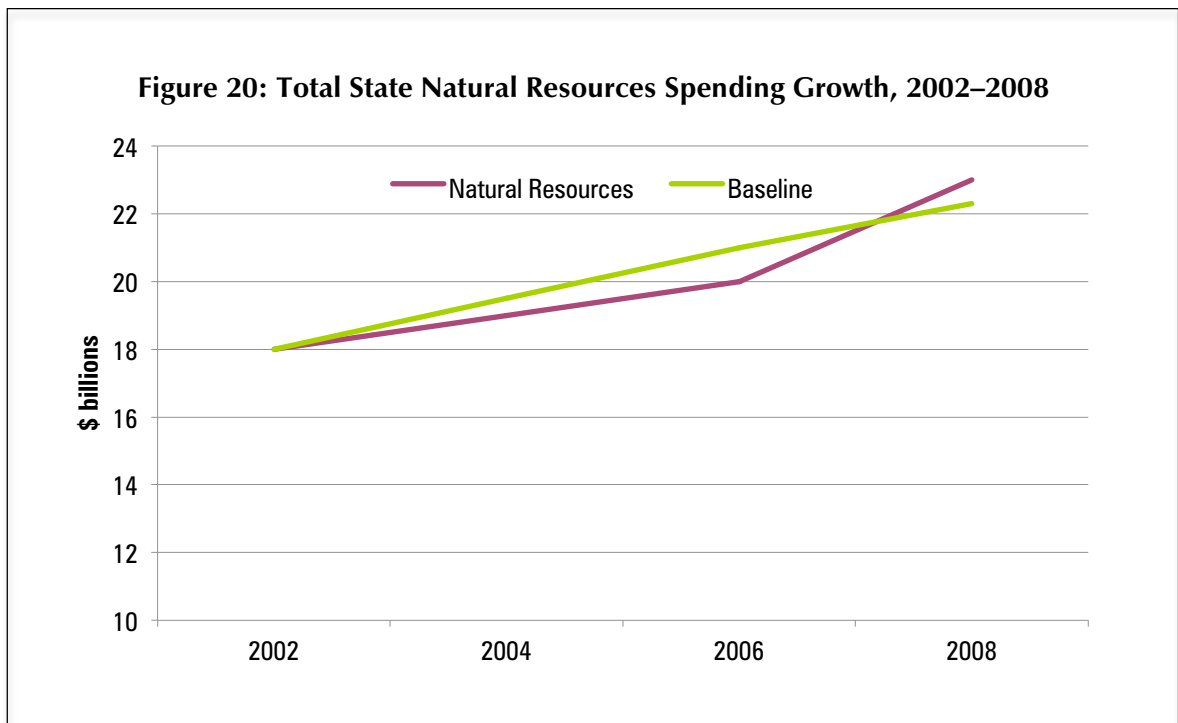


Table 24: Individual State Natural Resources Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Tennessee	234,901	458,161	95%
2	Wyoming	159,625	310,037	94%
3	Louisiana	332,754	579,131	74%
4	Colorado	193,235	323,226	67%
5	New Hampshire	42,571	68,642	61%
6	New Mexico	138,367	221,810	60%
7	Arizona	203,588	321,173	58%
8	New York	351,875	547,896	56%
9	Wisconsin	420,295	646,438	54%
10	California	3,184,490	4,885,087	53%
11	Montana	182,521	279,698	53%
12	North Dakota	111,226	166,129	49%
13	Nevada	92,729	137,372	48%

Table 24: Individual State Natural Resources Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
14	Mississippi	198,375	285,285	44%
15	New Jersey	431,832	613,651	42%
16	Delaware	69,728	94,329	35%
17	Alabama	230,519	309,369	34%
18	Florida	1,397,333	1,833,040	31%
19	Idaho	164,520	213,597	30%
20	South Carolina	231,871	299,956	29%
21	Oregon	329,956	424,465	29%
	United States	17,821,117	22,522,407	26%
22	South Dakota	98,029	123,365	26%
	Baseline	N/A	N/A	25%
23	Texas	687,014	839,527	22%
24	Kentucky	310,703	373,489	20%
25	Pennsylvania	554,723	666,752	20%
26	Missouri	293,627	347,965	19%
27	Alaska	240,427	284,520	18%
28	Massachusetts	287,026	338,037	18%
29	Maryland	478,073	562,098	18%
30	Hawaii	98,076	113,560	16%
31	Virginia	185,871	214,336	15%
32	Kansas	179,368	205,394	15%
33	Washington	650,231	738,520	14%
34	Maine	149,602	167,216	12%
35	Nebraska	165,308	180,968	9%
36	Iowa	267,444	288,799	8%
37	Vermont	68,102	73,300	8%
38	Arkansas	234,315	249,560	7%
39	Oklahoma	202,183	215,089	6%
40	North Carolina	654,624	679,216	4%
41	Utah	178,944	185,613	4%
42	Indiana	285,590	293,931	3%
43	West Virginia	175,910	170,496	-3%
44	Georgia	539,051	516,792	-4%
45	Minnesota	542,161	511,888	-6%
46	Ohio	389,217	362,226	-7%
47	Rhode Island	46,840	41,480	-11%
48	Michigan	507,993	363,826	-28%
49	Connecticut	193,955	123,842	-36%
50	Illinois	454,399	272,110	-40%

9) Police Protection

In 2008, states spent almost \$14 billion on state law enforcement agencies, a 27% increase over 2002, slightly above the baseline. Fourteen states (ND, TX, OK, KS, MS, MN, NC, NV, AZ, DE, NM, MA, NY, VT) increased state police spending by over 50%—twice the baseline rate. It is interesting that during the boom years between the recession, total state spending was mostly below the baseline on what is arguably the most core government service of police protection. It bears noting that the period 2002–2008 showed a general reduction in the rate of crime. Three states (SC, PA, WY) reduced spending on state police during this period.

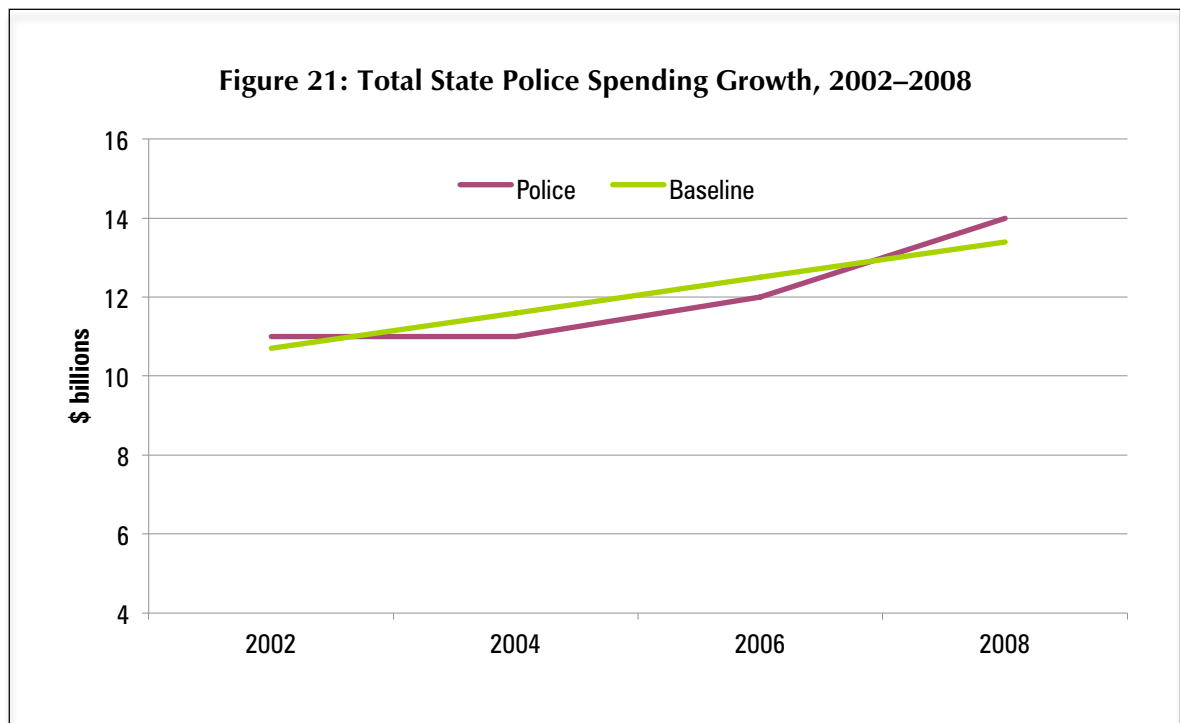


Table 25: Individual State Police Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	North Dakota	13,903	27,949	101%
2	Texas	395,399	720,014	82%
3	Oklahoma	91,636	161,213	76%
4	Kansas	63,403	110,231	74%
5	Mississippi	67,902	117,202	73%
6	Minnesota	202,552	343,342	70%
7	North Carolina	336,111	567,801	69%
8	Nevada	63,671	105,594	66%
9	Arizona	166,831	273,533	64%
10	Delaware	70,807	113,596	60%
11	New Mexico	88,817	140,759	58%
12	Massachusetts	362,699	569,777	57%

Table 25: Individual State Police Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
13	New York	623,391	958,637	54%
14	Vermont	50,868	77,177	52%
15	Hawaii	9,228	13,808	50%
16	New Jersey	347,190	510,798	47%
17	Alabama	128,801	182,955	42%
18	New Hampshire	36,800	52,148	42%
19	South Dakota	22,400	31,514	41%
20	Louisiana	250,114	349,563	40%
21	West Virginia	47,790	65,468	37%
22	Colorado	103,053	140,723	37%
23	Washington	241,022	319,335	32%
24	Connecticut	164,226	216,795	32%
25	Wisconsin	102,421	132,283	29%
26	Indiana	200,006	254,012	27%
	United States	10,705,936	13,594,279	27%
27	Nebraska	66,750	84,698	27%
28	Virginia	547,206	689,989	26%
	Baseline	N/A	N/A	25%
29	Utah	103,937	129,182	24%
30	Rhode Island	47,946	57,953	21%
31	Maine	60,455	72,231	19%
32	California	1,376,082	1,642,063	19%
33	Tennessee	131,690	156,050	18%
34	Georgia	272,130	317,358	17%
35	Arkansas	71,768	81,440	13%
36	Iowa	86,461	96,991	12%
37	Idaho	45,973	51,314	12%
38	Illinois	392,153	437,448	12%
39	Montana	43,257	47,166	9%
40	Florida	425,266	453,620	7%
41	Alaska	77,758	82,585	6%
42	Maryland	387,251	405,655	5%
43	Ohio	256,546	264,055	3%
44	Michigan	336,613	346,258	3%
45	Kentucky	189,524	193,185	2%
46	Oregon	171,170	173,661	1%
47	Missouri	211,894	214,579	1%
48	South Carolina	221,406	208,518	-6%
49	Pennsylvania	906,273	816,191	-10%
50	Wyoming	25,386	15,862	-38%

10) Corrections

In 2008, states spent just over \$50 billion on their correctional system, a 28% increase over 2002, which is just ahead of baseline. Nine states (WY, WA, NV, ND, AL, MT, CA, NM, VT) increased their spending on corrections more than 50%—twice the baseline rate of growth. Only Illinois reduced its correctional spending during this period. . It is interesting that during the boom years between the recession, total state spending was mostly below the baseline.

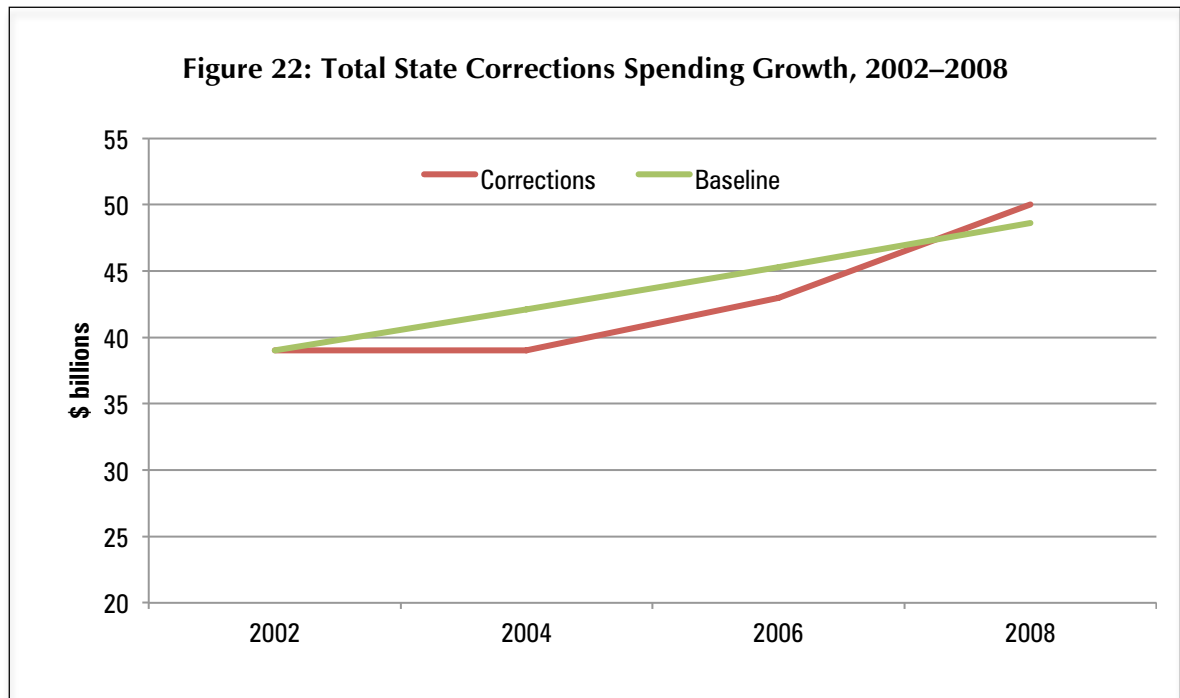


Table 26: Individual State Corrections Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Wyoming	83,268	164,617	98%
2	Washington	735,214	1,205,895	64%
3	Nevada	226,554	367,241	62%
4	North Dakota	38,522	61,368	59%
5	Alabama	331,476	525,281	58%
6	Montana	106,311	168,127	58%
7	California	5,596,427	8,829,940	58%
8	New Mexico	241,454	376,627	56%
9	Vermont	79,771	120,328	51%
10	South Dakota	74,880	110,268	47%
11	Tennessee	529,747	768,711	45%
12	North Carolina	923,487	1,324,484	43%
13	Idaho	171,684	244,504	42%
14	West Virginia	170,305	241,996	42%
15	New Hampshire	79,500	112,265	41%

Table 26: Individual State Corrections Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
16	Alaska	173,844	243,961	40%
17	Arizona	734,167	1,023,693	39%
18	Hawaii	157,286	219,070	39%
19	Delaware	202,270	280,710	39%
20	Mississippi	272,024	369,248	36%
21	Colorado	734,457	996,266	36%
22	Maine	105,580	141,982	34%
23	Maryland	1,059,972	1,366,211	29%
24	Minnesota	417,273	536,760	29%
	United States	38,875,374	49,897,531	28%
25	Arkansas	284,600	361,537	27%
26	Rhode Island	157,531	199,394	27%
27	Florida	2,199,630	2,770,179	26%
28	New York	2,492,277	3,135,187	26%
	Baseline	N/A	N/A	25%
29	New Jersey	1,193,432	1,496,976	25%
30	Virginia	1,243,090	1,547,571	24%
31	Massachusetts	1,070,950	1,332,960	24%
32	Utah	267,607	332,828	24%
33	Nebraska	176,533	219,278	24%
34	Georgia	1,271,639	1,571,961	24%
35	Louisiana	627,743	773,076	23%
36	Missouri	619,674	754,740	22%
37	South Carolina	424,031	514,479	21%
38	Kentucky	435,206	527,311	21%
39	Oklahoma	520,912	616,933	18%
40	Oregon	616,568	720,504	17%
41	Ohio	1,440,803	1,668,729	16%
42	Pennsylvania	1,521,611	1,744,264	15%
43	Connecticut	637,897	723,346	13%
44	Texas	3,157,124	3,565,217	13%
45	Wisconsin	965,801	1,084,127	12%
46	Kansas	326,372	361,648	11%
47	Michigan	1,690,175	1,863,464	10%
48	Indiana	640,711	676,633	6%
49	Iowa	288,666	291,406	1%
50	Illinois	1,359,318	1,244,230	-8%

11) Health

In 2008 states spent \$61 billion on health, a 21% increase over 2002, below the baseline rate of growth. Fourteen states increased health spending more than 50%—twice the baseline rate—and three states (WY, MO, VT) increased it over 100%. Eight states (PA, AL, AR, IL, OR, MA, KS, MI) reduced their spending on health over this period.

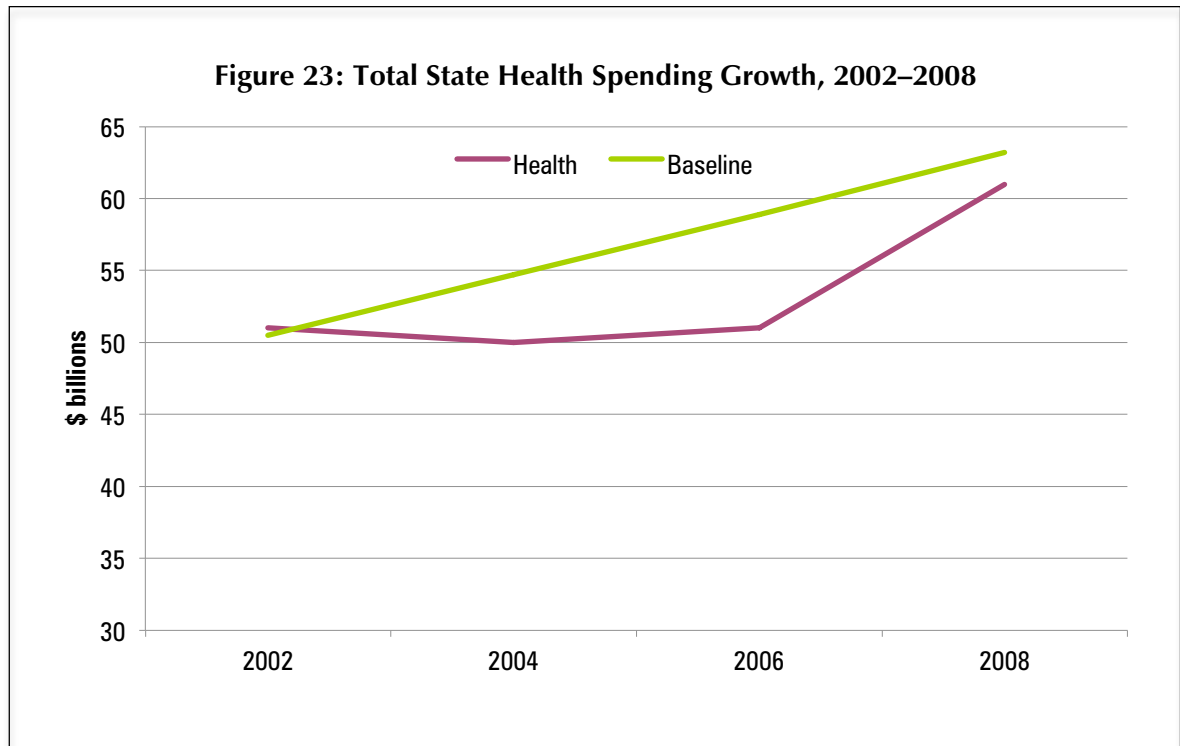


Table 27: Individual State Health Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Wyoming	113,368	281,247	148%
2	Missouri	485,805	1,163,167	139%
3	Vermont	72,310	167,140	131%
4	North Carolina	930,114	1,653,975	78%
5	Arizona	913,302	1,620,620	77%
6	Oklahoma	445,552	780,680	75%
7	Alaska	160,168	279,028	74%
8	West Virginia	209,521	356,647	70%
9	Tennessee	800,515	1,282,165	60%
10	Utah	239,515	383,324	60%
11	Georgia	808,960	1,258,721	56%
12	South Dakota	81,294	126,093	55%
13	Connecticut	592,071	901,164	52%
14	Delaware	260,745	393,259	51%
15	Hawaii	453,500	677,693	49%

Table 27: Individual State Health Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
16	Maryland	1,341,846	1,958,191	46%
17	South Carolina	721,138	1,051,239	46%
18	New Jersey	919,358	1,327,893	44%
19	New Mexico	340,031	490,852	44%
20	Louisiana	444,648	640,753	44%
21	Nevada	185,956	261,957	41%
22	Mississippi	267,921	368,652	38%
23	Florida	2,667,466	3,600,529	35%
24	Maine	366,293	491,007	34%
25	Idaho	112,840	150,626	33%
26	Minnesota	492,480	653,688	33%
27	Ohio	1,862,440	2,470,691	33%
28	Virginia	726,489	958,002	32%
29	New York	5,444,260	7,088,181	30%
30	Montana	253,857	329,501	30%
31	North Dakota	50,333	64,749	29%
	Baseline	N/A	N/A	25%
32	Texas	1,818,755	2,248,068	24%
33	California	9,714,786	11,992,534	23%
	United States	50,549,676	60,957,320	21%
34	Kentucky	530,081	626,189	18%
35	Washington	1,396,500	1,605,753	15%
36	Nebraska	363,668	415,172	14%
37	Indiana	557,640	627,263	12%
38	Wisconsin	637,922	703,266	10%
39	New Hampshire	147,828	158,845	7%
40	Iowa	233,740	240,951	3%
41	Colorado	792,620	809,170	2%
42	Rhode Island	181,541	180,822	0%
43	Pennsylvania	1,917,062	1,871,255	-2%
44	Alabama	718,443	699,309	-3%
45	Arkansas	268,398	249,653	-7%
46	Illinois	2,573,875	2,336,890	-9%
47	Oregon	580,917	407,430	-30%
48	Massachusetts	1,908,195	1,068,262	-44%
49	Kansas	503,625	252,179	-50%
50	Michigan	2,939,984	1,232,875	-58%

12) Parks and Recreation

In 2008 states spent a bit over \$6 billion on parks and recreation, virtually unchanged from 2002. Interestingly, 20 states increased spending on parks and recreation by over 50%—twice the baseline rate of 25%—and eight (KS, NV, NH, IA, MT, NC, AL, AZ) increased spending in this area by over 100%. Meanwhile 16 states reduced their spending on parks and recreation during this period.

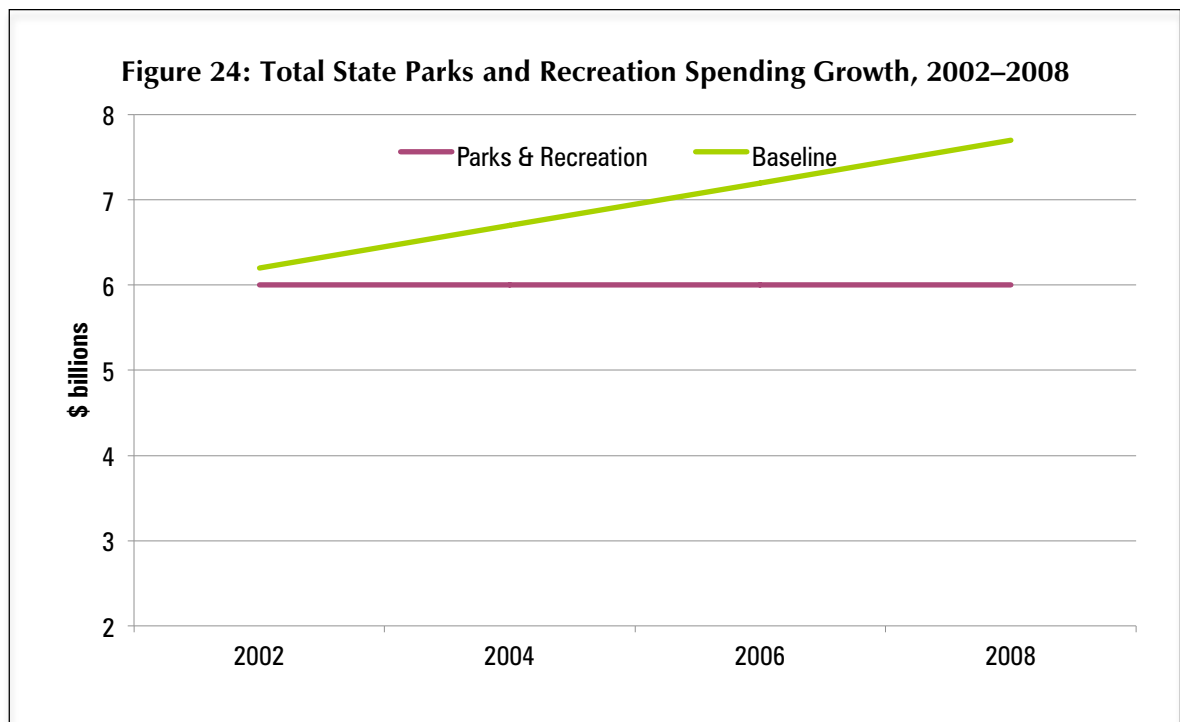


Table 28: Individual State Parks and Recreation Spending Growth, 2002–2008

Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
1	Kansas	5,416	37,074	585%
2	Nevada	17,053	46,373	172%
3	New Hampshire	6,300	16,713	165%
4	Iowa	25,468	61,112	140%
5	Montana	6,468	14,950	131%
6	North Carolina	126,277	278,930	121%
7	Alabama	23,155	50,268	117%
8	Arizona	62,661	132,563	112%
9	Oregon	52,244	103,461	98%
10	Virginia	76,498	148,721	94%
11	North Dakota	13,638	25,730	89%
12	South Carolina	65,008	120,343	85%
13	New Mexico	49,804	91,671	84%
14	Alaska	9,625	17,274	79%

Table 28: Individual State Parks and Recreation Spending Growth, 2002–2008				
Rank	State	2002 Spending (\$ thousand)	2008 Spending (\$ thousand)	Difference
15	Louisiana	211,102	371,160	76%
16	Pennsylvania	149,121	259,267	74%
17	South Dakota	26,193	42,124	61%
18	Hawaii	49,595	78,920	59%
19	Wyoming	21,640	34,369	59%
20	Indiana	47,645	71,753	51%
21	Tennessee	105,004	148,163	41%
22	Oklahoma	72,160	99,929	38%
23	Minnesota	140,020	192,704	38%
24	Georgia	163,060	209,191	28%
25	New York	460,646	583,040	27%
	Baseline	N/A	N/A	25%
26	Ohio	114,814	136,211	19%
27	Colorado	69,307	79,099	14%
28	Utah	59,692	65,910	10%
29	Mississippi	37,484	39,960	7%
30	Florida	184,632	195,516	6%
31	Delaware	52,147	54,763	5%
32	Texas	125,784	130,316	4%
	United States	6,183,538	6,396,814	3%
33	Idaho	40,872	41,137	1%
34	Maryland	268,944	269,711	0%
35	New Jersey	515,824	502,611	-3%
36	Maine	11,540	11,159	-3%
37	Vermont	15,008	14,370	-4%
38	Massachusetts	263,913	238,203	-10%
39	Nebraska	32,191	28,868	-10%
40	West Virginia	68,248	57,347	-16%
41	Kentucky	150,157	120,502	-20%
42	Missouri	50,672	37,236	-27%
43	Illinois	443,212	276,560	-38%
44	Arkansas	76,783	46,533	-39%
45	Washington	235,314	139,378	-41%
46	Wisconsin	61,972	35,926	-42%
47	California	949,480	483,692	-49%
48	Michigan	197,888	88,249	-55%
49	Connecticut	146,497	60,090	-59%
50	Rhode Island	25,362	7,664	-70%