

Caps on State Budget Reserve Funds

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Issue

What are the maximum size limits for budget reserve funds in each of the 50 states?

Summary

Like Connecticut, each state appears to have at least one reserve fund or account that addresses budget deficits or different fiscal emergencies or issues. These funds are also commonly referred to as stabilization or rainy day funds, among other phrasings.

Table 1 below identifies reserve funds by state and the caps on their size, if any, along with the related constitutional or statutory provisions establishing the fund or the caps. It is not an exhaustive list of every state reserve fund that may exist, and it should not be assumed that the ones included have equivalent purposes or designs. The funds included in the table are generally limited to the rainy day funds identified in Table 20 of the latest, 2025 version, of the [Fiscal Survey of States](#) published by the National Association of State Budget Officers.

Table 1: Budget Reserve Fund Caps by State

State	Fund Name	Cap	Citation
Alabama	Education Trust Fund Budget Stabilization Fund	10% of the previous year's appropriations from the Education Trust Fund	Ala. Code § 29-9-4
	Education Trust Fund Rainy Day Account	None	Ala. Const., § 260.02
	Educational Opportunities Reserve Fund	None	Ala. Code § 29-9-4
	General Fund Budget Reserve Fund	\$100 million	Ala. Code §§ 29-13-3 & 29-13-4
	General Fund Rainy Day Account	None	Ala. Const., § 260.02
Alaska	Budget Reserve Fund	None	Alaska Stat. § 37.05.540
Arizona	Budget Stabilization Fund	10% of the state General Fund revenue for the current fiscal year	Ariz. Rev. Stat. § 35-144
Arkansas	Catastrophic Reserve Fund	None	Ark. Code § 19-43-268 (as amended by Act 419 (2025))
California	Budget Stabilization Account	10% of the current fiscal year's estimated General Fund tax revenues	Cal. Const. art. XVI, § 20
	Public School System Stabilization Account	10% of the current fiscal year's allocations to school and community college districts	Cal. Const. art. XVI, § 21
	Safety Net Reserve Fund	None	Cal. Welf. & Inst. Code § 11011
	Special Fund for Economic Uncertainties	None	Cal. Gov't Code § 16418
Colorado	General Fund Reserve	None	Colo. Rev. Stat. § 24-75-201.1 (as amended by 2025 Colo. Legis. Serv. 1st Ex. Sess. Ch. 10 (H.B. 25B-1006))
Connecticut	Budget Reserve Fund	18% of net General Fund appropriations for the current fiscal year	CGS § 4-30a
Delaware	Budget Reserve Account	5% of estimated General Fund revenues for the current fiscal year	Del. Const. art. VIII, § 6 & Del. Code tit. 29, § 6533
	Budget Stabilization Fund	7% of estimated General Fund revenues for the current fiscal year	Del. Code tit. 29, § 6533

Table 1 (continued)

State	Fund Name	Cap	Citation
Florida	Budget Stabilization Fund	10% of the last completed fiscal year's net general revenue fund collections	Fla. Const. art. III, § 19 and Fla. Stat. § 215.32
Georgia	Revenue Shortfall Reserve	15% of the prior fiscal year's net revenue	Ga. Code § 45-12-93
Hawaii	Emergency and Budget Reserve Fund	None	Hawaii Rev. Stat. § 328L-3
Idaho	27th Payroll Fund	None	Idaho Code § 57-826
	Budget Stabilization Fund	15% of the current fiscal year's total General Fund receipts	Idaho Code § 57-814
	Higher Education Stabilization Fund	None	Idaho Code § 33-3726
	Public Education Stabilization Fund	15% of the current fiscal year's total state appropriation for public school support	Idaho Code § 33-907
Illinois	Budget Stabilization Fund	None	30 Ill. Comp. Stat. § 122/15
Indiana	Counter-Cyclical Revenue and Economic Stabilization Fund	7% of state General Fund revenue for the current fiscal year	Ind. Code §§ 4-10-18-1 & 4-10-18-8
	Medicaid Contingency and Reserve Account	None	Ind. Code § 4-12-1-15.5
	State Tuition Reserve Account	None	Ind. Code § 4-12-1-15.7
Iowa	Cash Reserve Fund	7.5% of the adjusted revenue estimated for the General Fund for the current fiscal year	Iowa Code §§ 8.56 & 8.57
	Economic Emergency Fund	2.5% of the adjusted revenue estimated for the current fiscal year	Iowa Code § 8.55
Kansas	Budget Stabilization Fund	None	Kan. Stat. § 75-6706
Kentucky	Budget Reserve Trust Fund Account	5% of the actual General Fund receipts collected during the prior fiscal year	Ky. Rev. Stat. § 48.705
Louisiana	Budget Stabilization Fund	4% of total state revenue receipts for the previous fiscal year	La. Const. art. VII, § 10.3 & La. Rev. Stat. § 39:94
Maine	Budget Stabilization Fund	18% of total General Fund revenues in the immediately preceding state fiscal year	Me. Rev. Stat. tit. 5, § 1532
Maryland	Revenue Stabilization Account	None	Md. Code, State Fin. & Proc. § 7-311

Table 1 (continued)

State	Fund Name	Cap	Citation
Massachusetts	Commonwealth Stabilization Fund	25.5% of budgeted revenues and other financial resources relating to the budgeted funds	Mass. Gen. Laws ch. 29, § 2H
Michigan	Countercyclical Budget and Economic Stabilization Fund	15% of the combined General Fund and school aid fund revenues for the current fiscal year	Mich. Comp. Laws §§ 18.1351 & 18.1356
Minnesota	Budget Reserve Account	None	Minn. Stat. § 16A.152
	Cash Flow Account	None	Minn. Stat. § 16A.152
Mississippi	Working Cash-Stabilization Reserve Fund	10% of the total General Fund appropriations for the current fiscal year	Miss. Code § 27-103-203
Missouri	Budget Reserve Fund	10% of net general revenue collections for the previous fiscal year	Mo. Const. art. IV, § 27(a)
Montana	Budget Stabilization Reserve Fund	16% of general revenue appropriations in the second year of the biennium	Mont. Code § 17-7-130
Nebraska	Cash Reserve Fund	None	Neb. Rev. Stat. § 84-612
Nevada	Account to Stabilize the Operation of the State Government	26% of certain appropriations, funding, and expenditures for the prior fiscal year	Nev. Rev. Stat. § 353.288
New Hampshire	Revenue Stabilization Reserve Account	10% of the actual General Fund unrestricted revenues for the most recently completed biennium	N.H. Rev. Stat. § 9:13-e
New Jersey	Surplus Revenue Fund	None	N.J. Stat. § 52:9H-14 et seq.
New Mexico	Appropriation Contingency Fund	None	N.M. Stat. § 6-4-2.3
	General Fund Operating Reserve	8% of the prior budget year's recurring appropriations	N.M. Stat. §§ 6-4-2.1 & 6-4-4
	State-Support Reserve Fund	None	N.M. Stat. § 22-8-31
	Tax Stabilization Reserve	None	N.M. Stat. § 6-4-2.2

Table 1 (continued)

State	Fund Name	Cap	Citation
New York	Rainy Day Reserve Fund	25% of the aggregate amount projected to be disbursed from the general fund during the current fiscal year	N.Y. State Fin. Law § 92-cc
	Tax Stabilization Reserve Fund	2% of the “norm” where the norm is the aggregate amount disbursed from the State Purposes Account during the fiscal year	N.Y. State Fin. Law § 92
North Carolina	Savings Reserve	None	N.C. Gen. Stat. § 143C-4-2
North Dakota	Budget Stabilization Fund	15% of the current biennial state general fund budget	N.D. Cent. Code § 54-27.2-01
Ohio	Budget Stabilization Fund	10% of the General Revenue Fund revenues for the preceding fiscal year	Ohio Rev. Code § 131.43
Oklahoma	Constitutional Reserve Fund	15% of the General Revenue Fund certification for the prior fiscal year	Okla. Const. art. X, § 23
	Revenue Stabilization Fund	None	Okla. Stat. tit. 62, § 34.102
Oregon	Education Stability Fund	5% of General Fund revenues collected during the prior biennium	Or. Const. art. XV, § 4
	Oregon Rainy Day Fund	12.5% of General Fund revenues collected during the prior biennium	Or. Rev. Stat. §§ 293.144 & 293.148 (as amended by Or. Laws 2025, c. 581)
Pennsylvania	Budget Stabilization Reserve Fund	None (but deposits are reduced to 10% of the surplus if the fund's balance is at least 6% of General Fund revenues)	72 Pa. Stat. §§ 1701-A & 1702-A
Rhode Island	State Budget Reserve and Cash Stabilization Account	5% of estimated state general revenues for the current fiscal year	R.I. Const. art. IX, §16 & R.I. Gen. Laws § 35-3-20
	Supplemental State Budget Reserve Account	None	R.I. Gen. Laws § 35-3-20.2
South Carolina	Capital Reserve Fund	3% of the General Fund revenue of the latest completed fiscal year	S.C. Const. art. III, § 36
	Contingency Reserve Fund	None	S.C. Code § 11-11-220
	General Reserve Fund	7% of the General Fund revenue of the latest completed fiscal year	S.C. Const. art. III, § 36

Table 1 (continued)

State	Fund Name	Cap	Citation
South Dakota	Budget Reserve Fund	10% of General Fund appropriations in the prior fiscal year's general appropriation act	S.D. Codified Laws § 4-7-32
	General Revenue Replacement Fund	15% of General Fund appropriations in the prior fiscal year's general appropriation act	S.D. Codified Laws §§ 4-7-39 & 4-7-45
Tennessee	Reserve for Revenue Fluctuations	None	Tenn. Code § 9-4-211
Texas	Economic Stabilization Fund	10% of certain general revenue deposited during the prior biennium	Tex. Const. art. III, § 49-g
Utah	General Fund Budget Reserve Account	9% of General Fund appropriations for the fiscal year that generated a surplus	Utah Code § 63J-1-312
	Income Tax Fund Budget Reserve Account	11% of Income Tax Fund appropriations for the fiscal year that generated a surplus	Utah Code § 63J-1-313
Vermont	27/53 Reserve	None	Vt. Stat. tit. 32, § 308e
	General Fund Balance Reserve (a.k.a. Rainy Day Reserve)	10% of General Fund appropriations for the prior fiscal year	Vt. Stat. tit. 32, § 308c (as amended by Act 27 (2025))
	General Fund Budget Stabilization Reserve	5% of General Fund appropriations for the prior fiscal year	Vt. Stat. tit. 32, § 308
	Human Services Caseload Reserve	None	Vt. Stat. tit. 32, § 308b
Virginia	Revenue Reserve Fund & Revenue Stabilization Fund	For Revenue Stabilization Fund: 15% of the average annual revenues from certain taxes (i.e. income and retail sales) for the prior three fiscal years For both funds combined: (1) 20% of that average; and (2) 15% of that average if the Revenue Reserve Fund balance exceeds 10% of the average	Va. Const. art. X, § 8 & Va. Code §§ 2.2-1828; 2.2-1829; 2.2-1831.2; & 2.2-1831.3
Washington	Budget Stabilization Account	None	Wash. Const. art. VII, § 12 & Wash. Rev. Code § 43.79.495

Table 1 (continued)

State	Fund Name	Cap	Citation
West Virginia	Revenue Shortfall Reserve Fund	None	W. Va. Code § 11B-2-20
	Revenue Shortfall Reserve Fund — Part B	None	W. Va. Code § 11B-2-20
Wisconsin	Budget Stabilization Fund	5% of the estimated expenditures from the General Fund during the fiscal year	Wis. Stat. §§ 25.60 & 16.518(3)(b)
Wyoming	Legislative Stabilization Reserve Account	None	Wyo. Stat. § 9-4-219

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