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REVENUE GROWTH AND EXPENDITURE PRIORITIES IN KARNATAKA: TRENDS IN STATE FINANCES AND IMPLICATIONS FOR INCLUSIVE GROWTH

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ABSTRACT **DOI No: 10.36713/epra32026** **Article DOI: https://doi.org/10.36713/epra32026**

The fiscal capacity of state governments plays a crucial role in promoting economic growth, social development and inclusive welfare. Karnataka has experienced substantial changes in revenue mobilisation, capital receipts and public expenditure over the period 2011–12 to 2025–26. This paper examines the trends in the state's revenue and capital receipts and the composition of developmental and non-developmental expenditure using secondary data published in the Karnataka Economic Survey 2025–26. The paper argues that strengthening revenue mobilisation, improving expenditure efficiency and protecting growth-enhancing investments are essential for sustainable and inclusive development. The study also identifies inconsistencies in selected expenditure-table totals that require verification before definitive fiscal conclusions can be drawn.

KEYWORDS: *Karnataka, State Finances, Revenue Mobilisation, Developmental Expenditure, Capital Receipts, Fiscal Sustainability, Inclusive Development.*

1. INTRODUCTION

Public finance constitutes an important instrument for achieving economic growth, reducing inequalities and improving the quality of life. State governments in India perform a substantial share of expenditure-related responsibilities in sectors such as education, healthcare, agriculture, rural development, infrastructure and social welfare. Their fiscal capacity therefore influences not only the pace of economic development but also the distribution of development opportunities across regions and social groups. The ability to mobilise adequate revenue and allocate public resources efficiently is particularly important for states pursuing the objectives of inclusive and sustainable development.

Karnataka occupies an important position in India's economy because of its diversified economic structure, comprising information technology, manufacturing, agriculture, services and emerging industrial activities. The expansion of its economic base creates opportunities for higher tax mobilisation and public investment. At the same time, the state must respond to competing expenditure demands arising from infrastructure development, human capital formation, social protection, agricultural development and the delivery of essential public services. These competing priorities make the composition and quality of public expenditure as important as its overall magnitude.

The period from 2011–12 to 2025–26 provides an opportunity to examine the changing structure of Karnataka's state finances. According to the Karnataka Economic Survey 2025–26, total revenue receipts increased from 69,806.27 crore in 2011–12 to 2,92,476.54 crore in the 2025–26. Aggregate receipts, comprising revenue and capital receipts, increased from 85,123.80 crore to 4,08,646.54 crore over the same period. These figures indicate a substantial expansion in the resources available to the state government.

However, increasing receipts alone do not establish whether fiscal policy has become more development-oriented or sustainable. An important question is whether the expansion of public finances has been accompanied by a proportionate increase in developmental expenditure. Developmental expenditure supports economic and social services, whereas non-developmental expenditure includes expenditure classified under the corresponding non-developmental heads in government budget statistics. Although both categories may contain essential public obligations, changes in their relative shares can provide insights into the priorities and constraints of fiscal policy.

The expenditure figures reported in the Karnataka Economic Survey 2025–26 indicate that developmental expenditure increased from 60,929.69 crore in 2011–12 to 2,62,001.05 crore in the 2025–26. Nevertheless, its reported share of aggregate expenditure declined from 72.14 per cent to 69.55 per cent. This raises questions about the changing composition of public expenditure, the relationship between revenue growth and

expenditure commitments, and the implications for long-term development.

Against this background, the present study analyses trends in Karnataka's revenue and capital receipts and the composition of developmental and non-developmental expenditure between 2011–12 and 2025–26. It seeks to identify the major changes in fiscal aggregates and discuss their implications for fiscal management and inclusive development.

2. REVIEW OF LITERATURE

The relationship between public revenue, government expenditure and economic development has been examined extensively in public finance literature. Wagner's law provides a theoretical foundation for understanding the expansion of government expenditure as economies develop. According to Wagner (1883), the demand for public services and the role of government tend to increase with economic development and structural transformation. This perspective suggests that rising expenditure in Karnataka may reflect growing economic activity, expanding public responsibilities and increasing demands for social and economic infrastructure. However, Wagner's proposition is a theoretical explanation and cannot be established solely through a descriptive examination of expenditure trends.

Musgrave (1959) identifies three major functions of public finance: resource allocation, income redistribution and economic stabilisation. These functions are relevant to the analysis of state expenditure because government budgets must simultaneously support productive investment, provide essential public services and address social inequalities. From this perspective, expenditure composition becomes an important indicator of fiscal priorities. Higher public expenditure may promote development, but its effectiveness depends on the allocation of resources, implementation capacity and the quality of public services delivered.

Oates (1972), through the theory of fiscal federalism, emphasises the allocation of fiscal responsibilities and resources across different levels of government. In a federal system, state governments are responsible for delivering many public services while operating within a revenue framework influenced by their own tax bases, intergovernmental transfers and borrowing arrangements. Consequently, the fiscal position of Karnataka must be understood in relation to both its internal revenue mobilisation and the wider institutional framework of centre–state fiscal relations.

The Reserve Bank of India (RBI) regularly examines the fiscal position of state governments through its publication *State Finances: A Study of Budgets*. Its reports analyse revenue mobilisation, expenditure composition, fiscal deficits, outstanding liabilities and capital investment. The RBI's 2024 report on state finances emphasises the importance of fiscal prudence, improvements in expenditure quality and the protection of growth-enhancing capital spending. These concerns are relevant to Karnataka because the growth of aggregate receipts needs to be assessed alongside changes in the composition and financing of public expenditure.

Srivastava, Bharadwaj, Kapur and Trehan (2023) examine the relative roles of states' own revenues, central transfers and fiscal deficits in determining state expenditure. Their analysis considers competing explanations of expenditure behaviour, including the revenue-and-spend, tax-and-spend and fiscal-synchronisation hypotheses. This literature highlights the importance of examining revenue and expenditure together rather than treating them as independent fiscal aggregates.

Jacob and Chakraborty (2020), in their study of Karnataka's fiscal prudence, investigate whether fiscal consolidation has been associated with revenue performance or expenditure compression. Their analysis raises an important issue for the present study: fiscal discipline should not be assessed only through the control of deficits, but also through its implications for the availability of resources for development. This is especially relevant when the absolute value of developmental expenditure rises while its share of aggregate expenditure declines.

The Comptroller and Auditor General of India (CAG), through its state finance audit reports, has also emphasised the adequacy, efficiency and effectiveness of public expenditure. Its approach suggests that expenditure evaluation should consider not merely the amount allocated but also whether public resources are sufficient to deliver services and achieve intended outcomes.

Although these studies provide important theoretical and empirical foundations, the present paper focuses specifically on the long-term trends in Karnataka's revenue and capital receipts and its reported developmental and non-developmental expenditure between 2011–12 and 2025–26. It uses the latest available survey tables in the supplied source to assess changes in fiscal aggregates and discuss their implications for development-oriented public finance. The study is descriptive rather than causal and does not claim to estimate the independent effects of revenue mobilisation or expenditure composition on economic growth.

3. OBJECTIVES AND METHODOLOGY

The study aims to examine the trends in Karnataka’s revenue and capital receipts during the period 2011–12 to 2025–26 and analyse changes in the magnitude and reported composition of developmental and non-developmental expenditure. It further seeks to examine the relationship between the expansion of public receipts and changes in expenditure priorities and discuss the implications of these fiscal trends for fiscal sustainability and inclusive development.

The study is based on secondary data collected from the Karnataka Economic Survey 2025–26, covering 15 financial years from 2011–12 to 2025–26. Descriptive statistical methods are employed to analyse absolute changes and percentage growth in revenue and capital receipts and expenditure over the study period. The analysis also compares developmental and non-developmental expenditure, examines their reported shares in aggregate expenditure, and interprets changes in revenue growth in relation to expenditure composition and priorities. These methods provide a basis for assessing the broad fiscal

trends of Karnataka and their potential implications for fiscal sustainability and inclusive development.

4. ANALYSIS AND DISCUSSION

The expansion of state finances is an important indicator of a government's revenue-generating capacity and its commitment to public expenditure priorities. In Karnataka, changes in tax revenue, revenue receipts, capital receipts and expenditure reflect the evolving fiscal structure of the state between 2011–12 and 2025–26. Examining these indicators helps explain the relationship between resource mobilisation and expenditure allocation, particularly in the context of developmental and non-developmental spending. The comparative growth of receipts and expenditure also provides insights into fiscal management and resource utilisation. This discussion examines the major trends in Karnataka's public finances and their implications for fiscal sustainability and inclusive economic development.

4.1 Trends in Revenue and Capital Receipts

Revenue and capital receipts are key components of Karnataka's public finances, reflecting the state's capacity to mobilise resources through taxation, non-tax sources and borrowings. Examining their trends from 2011–12 to 2025–26 highlights changes in revenue generation, capital mobilisation and the state's capacity to finance public expenditure and developmental priorities.

Table - 1: Trends in Revenue and Capital Receipts in Karnataka during 2011–12 to 2025–26 (Rs in crore)

Year	Own tax revenue	Share in central taxes	Total tax receipts	Non-tax receipts	Revenue receipts	Capital receipts	Aggregate receipts
2011–12	46,476.01	11,074.99	57,551.00	4,086.86	69,806.27	15,317.53	85,123.80
2012–13	53,753.56	12,647.14	66,400.70	3,966.11	78,176.22	16,878.51	95,054.73
2013–14	62,603.54	13,808.27	76,411.81	4,031.89	89,542.52	19,533.42	109,075.94
2014–15	70,180.30	14,654.14	84,834.44	4,688.24	104,142.13	21,994.02	126,136.15
2015–16	75,566.45	23,967.07	99,533.52	5,355.04	118,817.31	22,337.72	141,155.03
2016–17	82,956.21	28,759.86	111,716.07	5,794.53	133,213.79	32,405.92	165,619.71
2017–18	93,376.34	31,751.98	125,128.32	6,476.53	146,999.63	35,384.55	182,384.18
2018–19	107,667.09	35,811.28	143,478.52	6,773.00	164,978.52	42,399.55	207,461.74
2019–20	116,879.29	30,899.42	147,778.68	7,681.47	175,442.79	42,952.25	218,395.04
2020–21	110,862.79	21,673.11	132,535.90	7,893.84	156,716.41	71,252.66	227,969.07
2021–22	129,749.19	33,249.58	162,998.77	11,777.03	195,761.80	80,773.59	276,535.39
2022–23	163,990.29	34,539.18	198,586.49	13,914.15	229,079.74	45,029.23	274,108.97
2023–24	164,696.43	41,192.63	205,889.06	13,117.00	233,342.87	90,622.02	323,964.89
2024–25	180,368.03	46,932.67	227,300.70	14,500.00	257,800.70	100,856.00	358,656.70
2025–26	208,100.00	51,876.54	259,976.54	16,500.00	292,476.54	116,170.00	408,646.54

Source: Karnataka Economic Survey 2025–26, Finance Department, Government of Karnataka.

The revenue and capital receipts data indicate a substantial expansion in Karnataka's fiscal resources during the study period. Total revenue receipts increased from 69,806.27 crore in 2011–12 to 2,92,476.54 crore in the 2025–26. This represents an increase of approximately 318.7 per cent, or a little over four times the initial value. The expansion of revenue receipts is important because recurring revenue resources help finance public services and other government responsibilities.

Aggregate receipts increased from 85,123.80 crore in 2011–12 to 4,08,646.54 crore in 2025–26. This corresponds to an increase of approximately 380.1 per cent. Aggregate receipts include both revenue receipts and capital receipts; therefore, they should not be interpreted as equivalent to recurring income available to the government. Capital receipts may include borrowing and other financing transactions, whose fiscal implications differ from those of tax and non-tax revenue.

The state's own tax revenue increased from 46,476.01 crore in 2011–12 to 2,08,100 crore in 2025–26. Its share in central taxes rose from 11,074.99 crore to 51,876.54 crore. Total tax receipts consequently increased from 57,551 crore to 2,59,976.54 crore. These trends indicate that both state-level tax mobilisation and transfers through the central tax-sharing mechanism contribute to the expansion of Karnataka's fiscal resources.

Non-tax receipts also increased, from 4,086.86 crore in 2011–12 to 16,500 crore in the 2025–26. Although the absolute increase is substantial, the figures indicate that tax receipts remain the dominant component of the revenue totals reported in the table. A detailed assessment of revenue sustainability would, however, require information on tax buoyancy, the composition of individual taxes, non-tax revenue sources and the relationship between revenue growth and GSDP.

Capital receipts increased from 15,317.53 crore in 2011–12 to 1,16,170 crore in 2025–26. Their expansion is particularly visible in the later years of the series, although annual fluctuations are evident. For example, capital receipts were 80,773.59 crore in 2021–22, fell to 45,029.23 crore in 2022–23 and increased to 90,622.02 crore in 2023–24. The 2025–26 budget estimate is 1,16,170 crore.

Such fluctuations indicate that capital receipts should be examined separately from recurring revenue receipts. The available table does not provide a sufficiently detailed breakdown to determine how much of the increase arises from borrowing, loans recovered, disinvestment or other capital transactions. It is therefore inappropriate to interpret the entire increase as an improvement in the state's underlying revenue-generating capacity.

From a fiscal policy perspective, Karnataka needs to maintain a sustainable balance between own-source revenue mobilisation, central transfers and capital financing. Greater revenue capacity can improve fiscal autonomy, while an

excessive dependence on borrowing can increase future repayment obligations. The relevant policy objective is not simply to maximise receipts but to ensure that the sources and uses of public funds remain consistent with long-term fiscal sustainability.

4.2 Trends in Developmental and Non-Developmental Expenditure

Developmental and non-developmental expenditure reflects the government's spending priorities and the allocation of public resources across different functions. Examining their trends in Karnataka between 2011–12 and 2025–26 helps assess the relative expansion of development-oriented spending and administrative commitments, with implications for public service delivery, social welfare and inclusive economic growth.

4.2.1 Trends in developmental expenditure

Developmental expenditure increased from 60,929.69 crore in 2011–12 to 2,62,001.05 crore in the 2025–26. This represents an increase of approximately 330.1 per cent, or about 4.3 times the initial level. The figures show that the nominal amount allocated under the developmental expenditure category expanded substantially over the period.

The reported developmental expenditure share, however, declined from 72.14 per cent in 2011–12 to 69.55 per cent in 2025–26. This represents a reduction of 2.59 percentage points. The contrast between the increase in absolute expenditure and the decline in its reported share is an important feature of the fiscal trends.

A rising absolute level of developmental expenditure can reflect the expansion of public services, infrastructure requirements and government programmes. Nevertheless, a falling expenditure share may indicate that other expenditure categories are growing at a faster rate, or that the overall expenditure structure is changing. The available table does not establish which specific expenditure heads explain the change.

Developmental expenditure has implications for both economic growth and social welfare. Spending on education, healthcare, agricultural development, irrigation, transport and rural infrastructure can strengthen productive capacity and human capital. Expenditure on social services can also improve access to opportunities for disadvantaged groups. The extent to which developmental expenditure contributes to these outcomes depends on its detailed composition, implementation quality and distribution across sectors and regions.

The declining reported share therefore warrants further investigation, but it should not automatically be interpreted as evidence that the government has reduced development spending in absolute terms. The data show the opposite in nominal terms. A more definitive assessment would require verified expenditure totals, inflation-adjusted series and information on expenditure by major functional heads.

Table – 2: Trends in Developmental and Non-developmental Expenditure in Karnataka during 2011–12 to 2025–26 (Rs in crore)

Year	Developmental expenditure	Developmental share (%)	Non-developmental expenditure	Non-developmental share (%)	Aggregate expenditure
2011–12	60,929.69	72.14	23,533.97	27.86	84,463.66
2012–13	68,067.53	71.66	26,922.26	28.34	94,989.79
2013–14	76,328.45	69.99	32,729.25	30.01	109,057.70
2014–15	88,904.73	70.44	37,312.82	29.56	126,217.55
2015–16	100,440.69	71.12	40,794.06	28.88	141,234.75
2016–17	123,989.38	74.94	41,455.39	25.06	165,444.77
2017–18	136,285.13	73.09	50,177.82	26.91	186,462.95
2018–19	154,527.55	74.61	52,584.47	25.39	207,112.02
2019–20	157,822.41	72.49	59,903.41	27.51	217,725.82
2020–21	162,219.00	71.13	65,825.87	28.87	228,044.87
2021–22	191,282.64	69.33	84,620.73	30.67	275,903.37
2022–23	197,049.13	67.45	95,075.83	32.55	292,124.96
2023–24	214,293.99	73.14	78,684.21	26.86	2,92,978.20
2024–25	241,195.69	72.21	92,809.17	27.79	3,34,004.86
2025–26	262,001.05	69.55	114,688.25	30.45	3,76,689.30

Source: Karnataka Economic Survey 2025–26,

6.2.2 Trends in non-developmental expenditure

Non-developmental expenditure increased from 23,533.97 crore in 2011–12 to 1,14,688.25 crore in the 2025–26. In absolute terms, the increase is approximately 387.2 per cent. The reported share of non-developmental expenditure was 27.86 per cent in 2011–12 and 30.45 per cent in 2025–26.

The increase in nominal non-developmental expenditure does not necessarily indicate inefficient spending. Government administration, interest payments and other essential obligations are required for the functioning of public institutions and the delivery of public services. However, the composition and growth of these obligations are important because inflexible commitments can reduce the resources available for discretionary programmes and new development investments.

The reported expenditure shares require particular caution. For several recent years, the developmental and non-developmental components do not add up to the aggregate expenditure reported in the same table. Their percentages also fail to reconcile with the aggregate totals. Therefore, the figures

cannot be used without verification to establish the precise extent to which non-developmental expenditure has constrained developmental spending.

A reliable assessment should separate unavoidable administrative expenditure from potentially reducible costs and examine the growth of salaries, pensions, interest payments, subsidies and other major expenditure heads. Such disaggregation would make it possible to identify the sources of expenditure pressure and distinguish necessary public obligations from areas where efficiency improvements may be feasible.

4.3 Relationship between revenue growth and expenditure priorities

The table presents the changes in Karnataka's major fiscal indicators over the period 2011–12 to 2025–26. It compares the growth of the state's own tax revenue, total tax receipts, revenue receipts, capital receipts, aggregate receipts, developmental expenditure, non-developmental expenditure and aggregate expenditure. The comparison helps assess the changing scale of state finances and the relationship between revenue mobilisation and expenditure priorities.

Table – 3: Comparative Growth in Major Fiscal Indicators during 2011–12 to 2025–26 (Rs in crore)

Fiscal indicator	2011–12	2025–26	Absolute change	% change
State's own tax revenue	46,476.01	208,100.00	161,623.99	347.8
Total tax receipts	57,551.00	259,976.54	202,425.54	351.9
Revenue receipts	69,806.27	292,476.54	222,670.27	318.7
Capital receipts	15,317.53	116,170.00	100,852.47	658.5
Aggregate receipts	85,123.80	408,646.54	323,522.74	380.1
Developmental expenditure	60,929.69	262,001.05	201,071.36	330.1
Non-developmental expenditure	23,533.97	114,688.25	91,154.28	387.2
Aggregate expenditure	84,463.66	376,689.30	292,225.64	346.0

Source: Calculations based on Table 1 and 2

The comparison of major fiscal indicators between 2011–12 and 2025–26 shows a substantial expansion in the nominal scale of Karnataka's public finances. The State's own tax revenue increased from 46,476.01 crore to 2,08,100 crore, representing a growth of 347.8 per cent. Total tax receipts rose by 351.9 per cent, while revenue receipts increased by 318.7 per cent, from 69,806.27 crore to 2,92,476.54 crore. Capital receipts recorded a comparatively higher increase of 658.5 per cent, rising from 15,317.53 crore to 1,16,170 crore. Consequently, aggregate receipts increased by 380.1 per cent during the period.

On the expenditure side, developmental expenditure increased from 60,929.69 crore to 2,62,001.05 crore, registering a growth of 330.1 per cent. Non-developmental expenditure increased by 387.2 per cent, from 23,533.97 crore to 1,14,688.25 crore. Aggregate expenditure rose from 84,463.66 crore to 379689.30 crore, representing an increase of 346.0 per cent. Although developmental expenditure increased substantially in absolute terms, its growth rate was lower than that of aggregate expenditure and non-developmental expenditure. This difference highlights the importance of examining the composition of public expenditure alongside its overall expansion.

A comparison of aggregate receipts and expenditure further reveals that expenditure exceeded receipts by 902.70 crore in 2025–26, whereas aggregate receipts exceeded expenditure by 660.14 crore in 2011–12. These figures indicate a shift from a small surplus in the relationship between aggregate receipts and expenditure to a small shortfall in 2025–26. However, this comparison alone does not establish the State's fiscal deficit, as a comprehensive assessment requires consideration of the relevant fiscal accounting classifications and other budgetary components. Overall, the figures demonstrate that Karnataka's public finances expanded considerably over the period, while the faster growth of non-developmental expenditure relative to developmental expenditure raises important questions about expenditure priorities and the allocation of public resources to inclusive development.

4.4 Fiscal sustainability and inclusive development

Fiscal sustainability requires the state to meet its current obligations without compromising its capacity to finance future development. It involves a balance between revenue generation, expenditure commitments, borrowing and the long-term economic returns from public investment. The expansion of capital receipts in Karnataka's fiscal data makes it particularly important to distinguish financing resources from recurring revenue.

Table – 4: Changes in the Reported Composition of Expenditure

Year	Developmental expenditure share (%)	Non-developmental expenditure share (%)	Combined reported share (%)
2011–12	72.14	27.86	100.00
2015–16	71.12	28.88	100.00
2020–21	71.13	28.87	100.00
2021–22	69.33	30.67	100.00
2022–23	67.45	32.55	100.00
2023–24	73.14	26.86	100.00
2024–25	72.21	27.79	100.00
2025–26	69.55	30.45	100.00

Source: Karnataka Economic Survey 2025–26

Table 4 illustrates changes in the composition of Karnataka's developmental and non-developmental expenditure between 2011–12 and 2025–26. In 2011–12, developmental expenditure accounted for 72.14 per cent of total expenditure, while non-developmental expenditure represented 27.86 per cent. The developmental share remained relatively stable until 2020–21 but declined to 67.45 per cent in 2022–23, accompanied by an increase in the non-developmental share to 32.55 per cent.

In 2023–24, the developmental expenditure share increased to 73.14 per cent, the highest among the years presented. However, it declined to 72.21 per cent in 2024–25 and further to 69.55 per cent in 2025–26. Over the entire period, the developmental expenditure share decreased by 2.59 percentage points, while the non-developmental share increased correspondingly.

These trends highlight the importance of balancing committed expenditure with investment in education, healthcare, infrastructure, employment and social welfare. However, non-developmental expenditure also includes essential obligations, such as interest payments and administrative costs. Therefore, fiscal sustainability requires efficient expenditure management, improved revenue mobilisation and productive public investment. Aligning budgetary priorities with measurable social outcomes is essential to promote inclusive and sustainable development in Karnataka.

5. SUMMARY AND CONCLUSION

The study analysed trends in Karnataka's revenue and capital receipts and the composition of developmental and non-developmental expenditure during 2011–12 to 2025–26, based on secondary data from the Karnataka Economic Survey 2025–26. The findings reveal a substantial expansion in the state's public finances. Revenue receipts increased from ₹69,806.27 crore to ₹2,92,476.54 crore, registering growth of approximately 318.7 per cent, while aggregate receipts increased by 380.1 per cent. Capital receipts recorded a comparatively higher growth of 658.5 per cent, highlighting the importance of distinguishing recurring revenue from capital financing resources.

Developmental expenditure increased from ₹60,929.69 crore in 2011–12 to ₹2,62,001.05 crore in 2025–26, representing growth of approximately 330.1 per cent. However, its reported share of aggregate expenditure declined from 72.14 per cent to 69.55 per cent. Conversely, non-developmental expenditure increased by 387.2 per cent, and its reported share rose from 27.86 per cent to 30.45 per cent. These trends underscore the importance of examining expenditure composition alongside the overall expansion of public finances. Nevertheless, higher non-developmental expenditure does not necessarily indicate inefficiency, as it includes essential administrative and financial obligations.

The study concludes that the expansion of Karnataka's fiscal resources provides opportunities to strengthen economic development and public service delivery. However, achieving fiscal sustainability requires effective revenue mobilisation, prudent expenditure management and productive public investment. Greater priority should be given to education, healthcare, agriculture, infrastructure, employment generation and social welfare, particularly to improve opportunities for disadvantaged communities.

Overall, the effectiveness of fiscal policy depends not merely on the growth of receipts and expenditure but also on the efficiency, transparency and equity of resource allocation. Karnataka must ensure that fiscal expansion translates into improved public services, stronger economic capacity and inclusive development. Further research incorporating inflation-adjusted expenditure, fiscal deficits, public debt and sector-wise allocations would provide a more comprehensive understanding of the state's long-term fiscal sustainability.

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