

Governor Sherrill announced her budget update on May 19th, which included a \$50 million spending reduction from the original proposal. Learn more below or [view the full update](#).

**This website is the pilot version of the New Jersey Report Card**

New Jersey Report Card

MENU

The New Jersey Report Card is a first-of-its-kind, public-facing website focused on making government more transparent and accountable. It's your government — it should work for you. The Report Card shines a light on the State's spending and revenues through an interactive budget tool and includes detailed information on the impact of State-funded programs.





*“The New Jersey Report Card is designed to make it easy for people to see where their tax dollars are going and what families are actually getting in return.”*

–Governor Mikie Sherrill



## Governor Sherrill’s Budget Top-Line Number for Fiscal Year 2027

Every year, the Governor of New Jersey proposes a State [budget](#) for the [Fiscal Year](#) (July 1 to June 30), which is funded by income taxes, sales taxes, and other revenue sources.

In March, Governor Mikie Sherrill proposed a State budget for Fiscal Year 2027 that included \$60.73 billion in total [appropriations](#) and would take effect on July 1, 2026. This initial budget proposal would be a 1.6% increase over last year’s approved budget, half the rate of inflation for our region and considerably lower than the average increase over the previous eight budgets. This proposed budget included a significant reduction in the State’s structural deficit and didn’t [enact](#) new taxes on individual New Jerseyans.

As part of the [May budget update](#), Governor Sherrill announced a revised proposal that accounts for changes in spending and revenue projections. In this year's update, Governor Sherrill reduced overall appropriations in her budget proposal by \$50 million, to \$60.68 billion.

## Total Proposed Appropriations for FY 2027

# \$60.68B

## Overview of the State budget

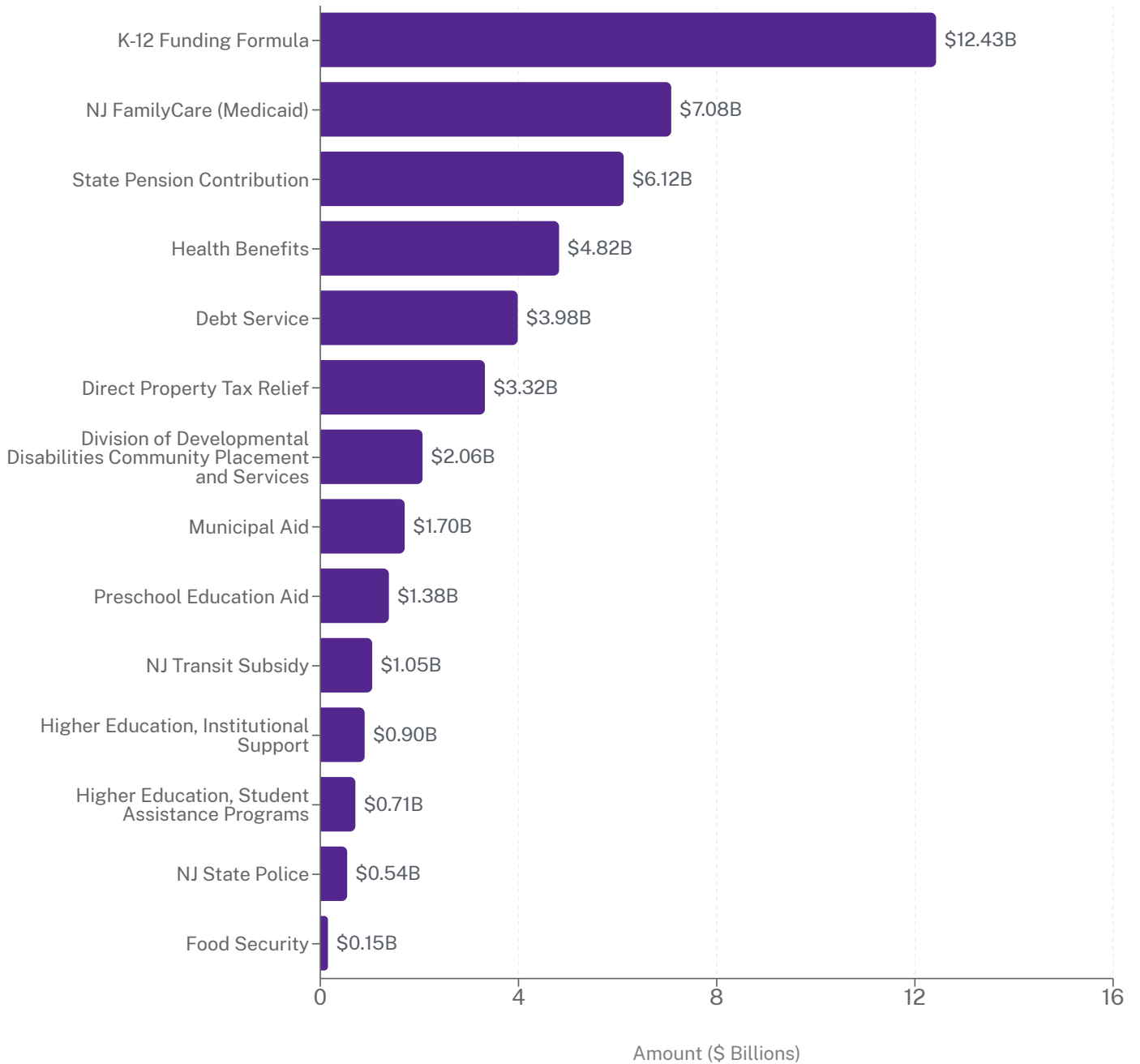
On March 10, 2026, Governor Mikie Sherrill [proposed](#) her budget for [Fiscal Year](#) 2027 — the first budget of her term as Governor — which will fund key [programs](#) such as State assistance for K-12 schools and direct property tax relief for families. On May 19, 2026, Governor Sherrill updated her budget proposal by reducing overall [appropriations](#) by \$50 million. The Governor's [proposed budget](#) focuses on fiscal responsibility in the State government — it includes nearly \$2 billion in spending cuts and closes tax loopholes. Without these reforms, New Jersey would be on track to deplete our entire budget surplus within a few years. On this page, you can track where the updated budget proposal's \$60.68 billion in total [appropriations](#) is going and which [programs](#) are being funded.



Below is a detailed breakdown of State funds proposed to be invested in certain program areas for Fiscal Year 2027. The figures for the FY 2027 program area priorities represent State funds only. Due to this, these amounts may differ from other reported figures for these same program areas.

### Selected Program Areas for Fiscal Year 2027

<a href="#">Bar Chart</a>	<a href="#">Data Table</a>
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Dive deeper

## Selected Program Areas for Fiscal Year 2027

**K-12 Funding Formula:** \$12.43 billion

**NJ FamilyCare:** \$7.08 billion

**State Pension Contribution:** \$6.12 billion

**Health Benefits:** \$4.82 billion

**Debt Service:** \$3.98 billion

**Direct Property Tax Relief:** \$3.32 billion

**Division of Developmental Disabilities Community Placement and Services:** \$2.06 billion

**Municipal Aid:** \$1.70 billion

**Preschool Education Aid:** \$1.38 billion

**NJ Transit Subsidy:** \$1.05 billion

**Higher Education, Institutional Support:** \$0.90 billion

**Higher Education, Student Assistance Programs:** \$0.71 billion

**NJ State Police:** \$0.54 billion

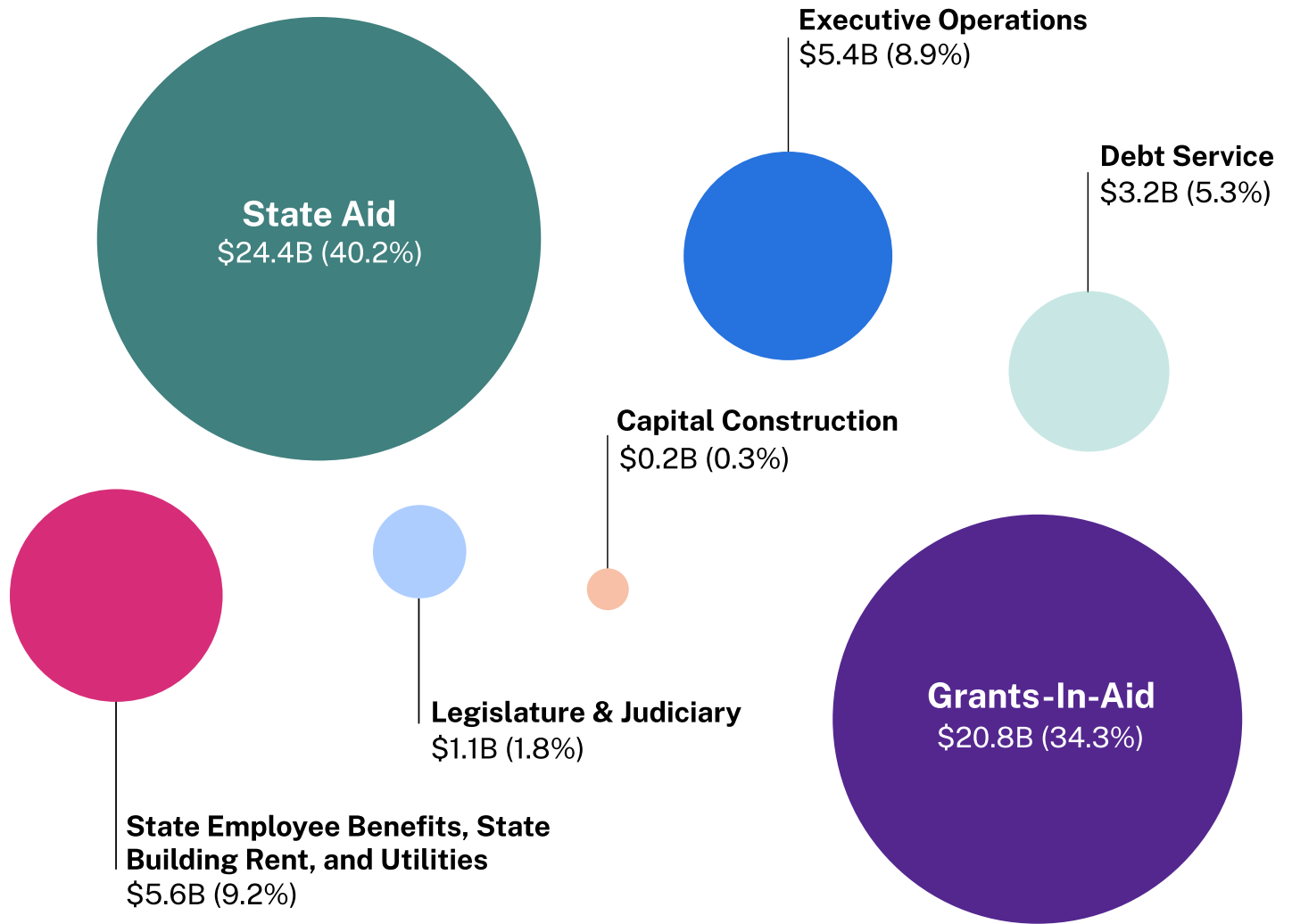
**Food Security:** \$0.15 billion



For Fiscal Year 2027, Governor Mikie Sherrill is proposing the following amounts for each budget category:

### Proposed Budget for Fiscal Year 2027

<a href="#">Scatterplot</a>	<a href="#">☐☐ Data Table</a>
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## Proposed Budget for Fiscal Year 2027

State Aid

Grants-in-Aid

State Employee Benefits, State Building Rent, and Utilities

Executive Operations

Debt Service

## Legislature & Judiciary

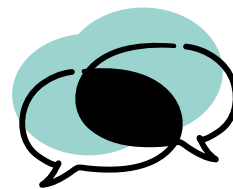
## Capital Construction

# New Jersey's Budget Process

The New Jersey State budget process is a step-by-step sequence designed to make budget decisions that support the core missions of State agencies. The budget process kicks off in August, nearly a year before the budget takes effect. Once approved, State officials implement and manage the appropriations that it authorizes from July 1 to June 30 of the following year.



AUGUST - SEPTEMBER



SEPTEMBER - JANUARY

## 1. Planning Begins

The budget office gives each State agency a starting point by providing salary projection reports, technical budget instructions, and other general guidance, including establishing preliminary budgets. Each agency is asked to create a plan.



JANUARY - FEBRUARY

## 3. Governor Recommends

During January and February, the budget office director reviews all recommendations with the State Treasurer, the Governor, and the Governor's staff. The Governor makes final decisions, typically in February, and sends a budget proposal to the Legislature by late February showing how the State should designate resources for programs and services.

## 2. Agencies and Budget Office Collaborate

Agencies explain through their plans what they can accomplish with their current funding, what they'd have to cut if they received fewer resources, what programs they'd like to expand, which new programs they'd like to start, and where they can deliver cost savings and efficiencies. The budget office reviews each agency plan and agrees on early recommendations.



FEBRUARY - JUNE

## 4. Legislature Reviews and Votes

Lawmakers hold hearings, update revenue estimates, and make changes to the Governor's proposal. Both the Senate and Assembly must vote to approve a balanced budget before July 1.



IN JUNE, AND BEFORE JULY 1

## 5. Governor Takes Final Action

The Governor can veto specific items in the bill, and must officially verify and approve the State’s revenue projections before signing the Final Appropriations Act into law. Once approved, this becomes the State’s enacted budget.

Additional funding can be added throughout the year as authorized through budget language or other legislative action.

**More information about the State’s budget process is available at [nj.gov/treasury](https://nj.gov/treasury).**

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