



## Cost of Meeting the Chapter 213 Target Under Different Scenarios

*(In Billions)*

	Governor's Revised Revenues		
	2004-05	2005-06	Change
Chapter 213 target	\$48,721.28	\$51,333.72	\$2,612.44
Revised 2004-05 budget	46,941.33	49,967.62	3,026.29
Additional cost to reach target	1,779.95	1,366.10	(413.85)
<b>Two-Year Totals</b>		<b>\$3146.05</b>	
	LAO Revised Revenues		
	2004-05	2005-06	Change
Chapter 213 target	\$48,361.10	\$51,256.13	\$2,895.04
Revised 2004-05 budget	46,941.33	49,751.38	2,810.05
Additional cost to reach target	1,419.77	1,504.76	84.99
<b>Two-Year Totals</b>		<b>\$2924.52</b>	



The cost of meeting the 2004-05 spending target created in Chapter 213, Statutes of 2004 (SB 1101, Budget Committee)—assuming Department of Finance revenue estimates—has increased because of the increase in General Fund revenues in 2004-05. It would cost an additional \$3.1 billion over the two years to meet this spending target.



Using LAO revenue assumptions, the estimated cost would be similar, although we estimate lower 2004-05 costs and higher 2005-06 costs of meeting the target.