### Key Budget Terms

**Operating**  
Major functions of state government aside from transportation  
Funded by taxes, fees, federal revenues

**Capital**  
Buildings, facilities and state land  
Funded largely by bonds, plus a few smaller revenue streams

**Transportation**  
Operating and capital functions for transportation  
Funded largely by gas tax, bonds, federal revenues

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**Maintenance Level:** Projected expenditure level representing the estimated cost of providing currently authorized services in the ensuing biennium.

**Policy Level:** These changes often receive the most attention. These incremental changes can represent the costs or savings associated with new legislation, new initiatives, increased service levels, etc.