The State Budget Process

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Key Players:
- Agencies
- Governor
- Legislature
- Budget Office

Key Steps:
- Agency Requests
- Revenue
- Recommendations
- Appropriations
Agency Requests

• Agencies report on their last year
• Make budget requests for the next year
• Often done in hearings
  – Public input varies
• Presented to Legislative Committee, Governor, or both
Revenue estimate

• How much will come in from taxes, fees, other sources?
• Appropriations based on revenue estimates
• Most states required to have balanced budget
Recommendations

• Lawmakers present proposed total budget
• Governor’s Budget
• Legislative Budget
• Budget Office
Appropriations

- Current year/s budget only
  - spending vs cost savings
- Committees
- Fiscal notes
- Governor veto
  - some have line item veto or reduction power
Source: National Association of State Budget Officers, State Expenditure Report
Budget Advocacy

• Revenue Adequacy
  • tax cuts make the pie smaller

• Fiscal Notes
  • quality
  • multi-year projections
  • independent