

Overview of the Budget Process

The budget is due from the Governor and the Department of Finance, by law, no later than January 10th. At that point, the budget is based on the Administration's priorities. The budget is translated into 2 bills - one for the Senate and one for the Assembly. The authors of the bills are the respective chairs of the Senate and Assembly Budget Committees.

Soon after the Governor releases the budget, the Legislative Analyst's Office (LAO), which is non-partisan, reviews it and makes fiscal and policy recommendations to the legislature through a document called Analysis of the Budget Bill

In March, the budget committees from both houses start their review of the budget, and revise the budget bill according to their own house fiscal priorities. This is where you'll see changes in funding for certain policies, like healthcare, or education. There are 5 budget subcommittees in the Senate, and 5 in the Assembly, each with different combinations of policies.

Senate Budget and Fiscal Review Committee

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| Subcommittee 1 | Education |
| Subcommittee 2 | Resources, Environmental Protection, Judiciary, & Transportation |
| Subcommittee 3 | Health, Human Services, Labor, & Veteran's Affairs |
| Subcommittee 4 | General Government and Public Safety |
| Subcommittee 5 | Energy, Executive, and Off-Budget Fiscal Issues |

Assembly Budget Committee

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| Subcommittee 1 | Health & Human Services |
| Subcommittee 2 | Education Finance |
| Subcommittee 3 | Resources |
| Subcommittee 4 | State Administration |
| Subcommittee 5 | Information Technology and Transportation |

It isn't until May, and the May revision, that we will begin to get a clearer picture of the actual state of our finances. This is when the projections for caseloads, and state revenue estimates are more accurate. Both the Senate and Assembly must then amend their budget bills.

Once both houses have adopted their bills, the Budget Conference committee will meet. They have to resolve the differences between the 2 bills and come to consensus on a bill. This begins in late May. Once they have compromised and adopted a bill, that bill goes back to both houses and by law, that bill is supposed to pass no later than midnight on June 15th. The governor then has 15 days to sign it, veto it, and/or line item veto, because the fiscal year starts on July 1.

The official calendar of the Legislature states that the summer recess begins on July 5th **provided a budget bill has been enacted.**