2011 Session
Legislative Assistant Orientation

Overview of the Budget Process

House Appropriations Committee Staff

January 10, 2011

Current National and State Economic Indicators

- Most economists believe that the deep recession ended by August. Majority of national economic indicators suggest the rate of decline slowed by the fall and many measures now are improving
  - Conference Board reported that Leading Indicators rose 0.9% in November, 8th straight monthly increase
- 3rd Quarter GDP grew 2.2%. While 3rd Q. GDP growth has been revised downwards twice since its initial release, it still represents a substantial improvement as annualized GDP had fallen in 5 of the 6 previous quarters
- Economic activity in the manufacturing sector expanded for the 5th consecutive month in December, and the overall economy grew for the 9th consecutive month
  - The Institute of Supply Management Index stands at 55.9%, highest level since June 2006

Virginia's Budget Process

- Initiated by the Governor
- Budget development of "current services" budget
- Revenue review concurrent with budget development
  - Governor's Advisory Board of Economists (GABE)
  - Governor's Advisory Committee on Revenue Estimates (GACRE)
- Governor submitted proposed balanced budget on December 17, 2010 to joint meeting of House Appropriations, House Finance and Senate Finance Committees

Virginia's Budget Process

- Even-year Session: the biennial budget for the succeeding two-year period is approved.
  - Given the complexity of government and the number of programs, second year of budget is becoming a "blue print".
- Odd-year Session: amendments to biennial budget are considered.
  - Primary focus on second year. Pay raises, increases resulting from enrollment growth, i.e., K-12 education, Medicaid, local jails.

Legislative Budget Process

- Fiscal policy is under the purview of the House and Senate “money committees”, which oversee fiscal operations of state government
  - House of Delegates: Duties are split between the Finance Committee (tax policy) and the Appropriations Committee (spending)
  - Senate: Duties are combined under the Finance Committee
  - Unlike Congress, budgeting and appropriations are handled by same committee

Legislative Budget Process

- House Appropriations and Senate Finance Committees hold regional public hearings on Governor's proposed budget
  - Norfolk, Chesterfield, Lynchburg, Fairfax and Abingdon on Thursday, January 6, 2011
- Each committee has 5 weeks in long session to conduct budget review (3 weeks in short session)

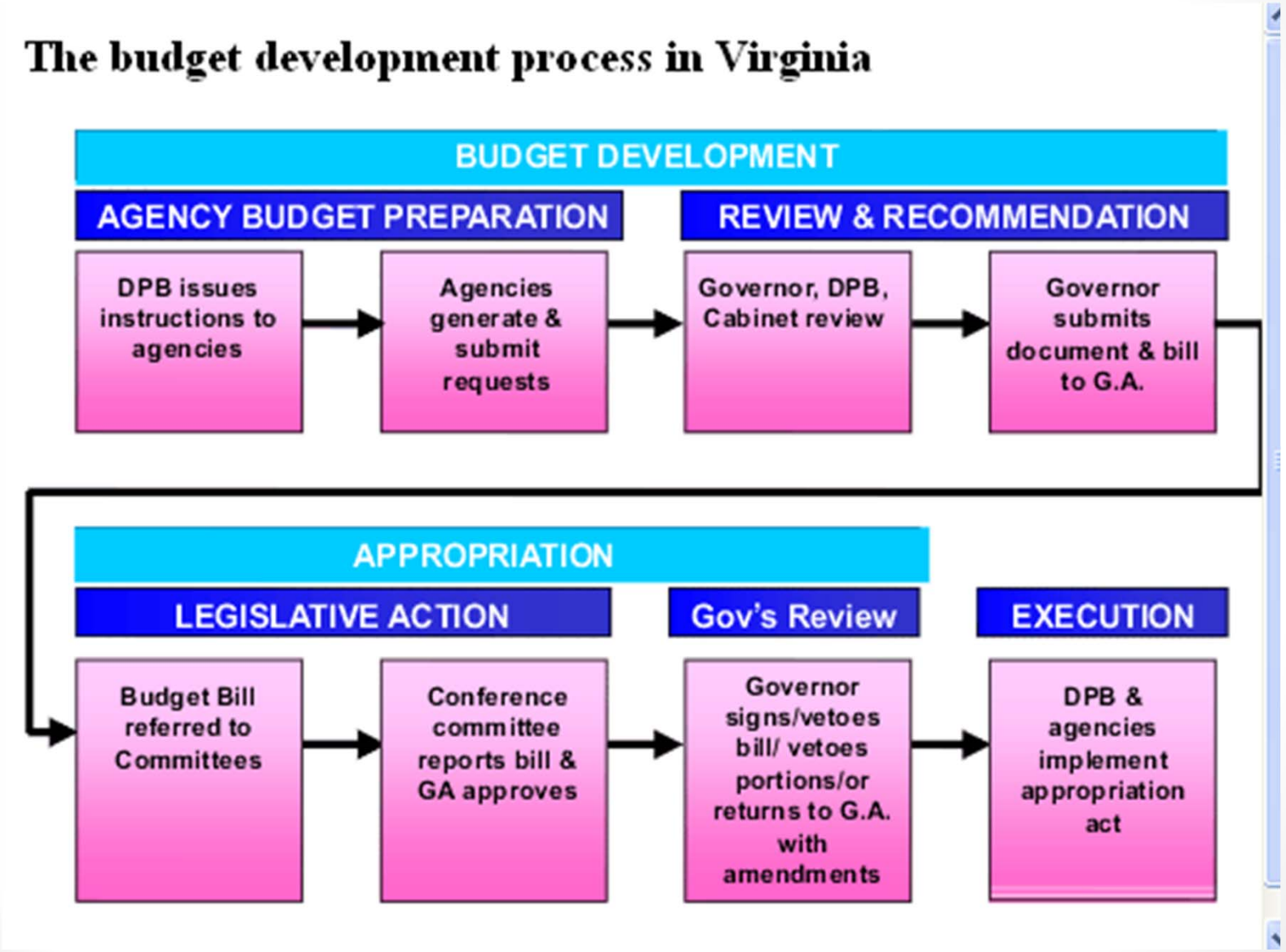
Legislative Budget Process

- Member budget amendment requests made to Committee
  - Deadline set by Chairman
  - All completed amendment forms (with co-patron signatures) must be submitted by the deadline (January 14, 2011)
  - Budget amendment forms are available on the Committee's website (http://hac.virginia.gov)
- Subcommittees perform detailed review and recommend amendments to Governor's proposals
- Committee acts on Subcommittee Reports
- Respective Committees send budget bill with amendments to the House and Senate Floors
  - Deadline for Committee to report budget bill is February 6, 2011 at midnight
  - Deadline for each house to act on budget bill is February 10, 2011

Legislative Budget Process

- Adopted bills are sent to opposite house
- Committee of Conference is appointed
- Budget conferees resolve differences between House and Senate budgets
  - Deadline for conferees is midnight on February 22, 2011
  - Deadline of noon on February 24, 2011 for conference report
- Conference Committee report is sent back to House and Senate floors for final approval
- Adopted budget sent to Governor for signature
- Governor's amendments or vetoes considered during Reconvened Session (April 6, 2011)

The budget development process in Virginia



Committee Organization

- Members appointed by the House Speaker
  - Virginia's Congressional Districts represented
- Meets frequently when the General Assembly is in Session and monthly during the rest of the year
- Committee Chairman provides overall leadership and direction
  - Makes Subcommittee assignments
  - Works with Subcommittee Chairmen in setting budget priorities

Committee Responsibilities

- Examine revenue and expenditures assumptions in the Governor's introduced budget
- Set funding priorities for the Commonwealth
- Consider requests by General Assembly members to amend (change) the introduced budget
- Make recommendations for budgetary changes based on priorities of the Committee and Subcommittees

Appropriations Subcommittees*

- Capital Outlay
- Compensation & Retirement
- Economic Development, Agriculture and Natural Resources
- Elementary & Secondary Education
- General Government
- Health & Human Resources
- Higher Education
- Public Safety
- Technology, Oversight and Government Activities
- Transportation
- Special subcommittees, appointed as needed

Subcommittee Activities

- Weekly meetings during Legislative Session
- Review budget amendments in assigned areas
- Review all bills referred by Chairman
- Recommend all budget actions to full Committee

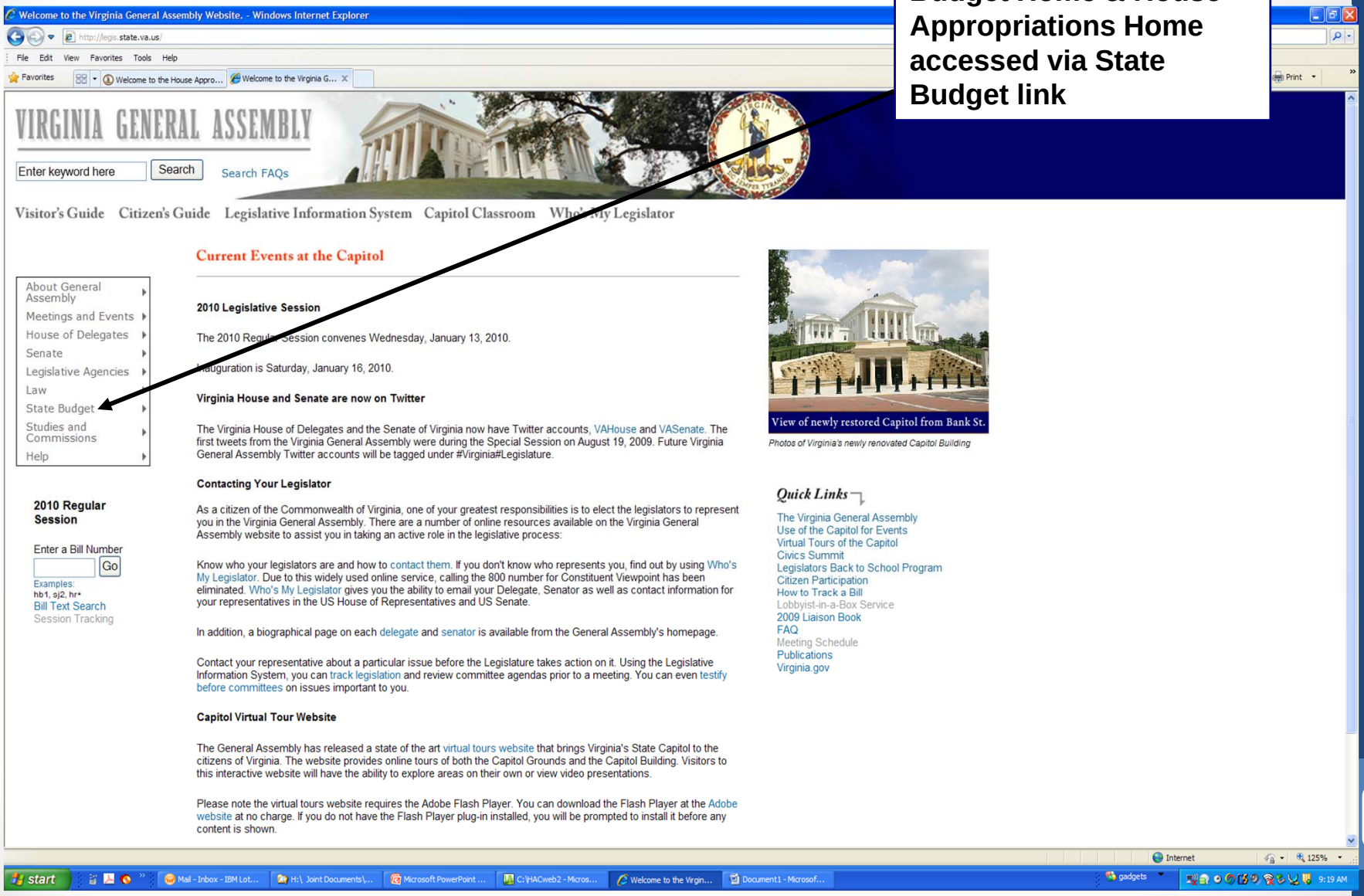
Appropriations Committee Staff

Name	Title	Areas of Responsibility
Robert P. Vaughn	Staff Director	Revenues
Susan L. Hogge	Legislative Fiscal Analyst	Elementary & Secondary Education, Nonstate Agencies
Michael R. Jay	Legislative Fiscal Analyst	Compensation & Retirement, General Government and Technology
Paul Van Lenten, Jr.	Legislative Fiscal Analyst	Public Safety, Natural Resources
Anthony A. Maggio	Legislative Fiscal Analyst	Higher Education, Capital Outlay
Susan E. Massart	Legislative Fiscal Analyst	Health & Human Resources
Anne E. Oman	Legislative Fiscal Analyst	Transportation, Commerce, Agriculture
Carla L. Karnes	Office Manager	Office Operations

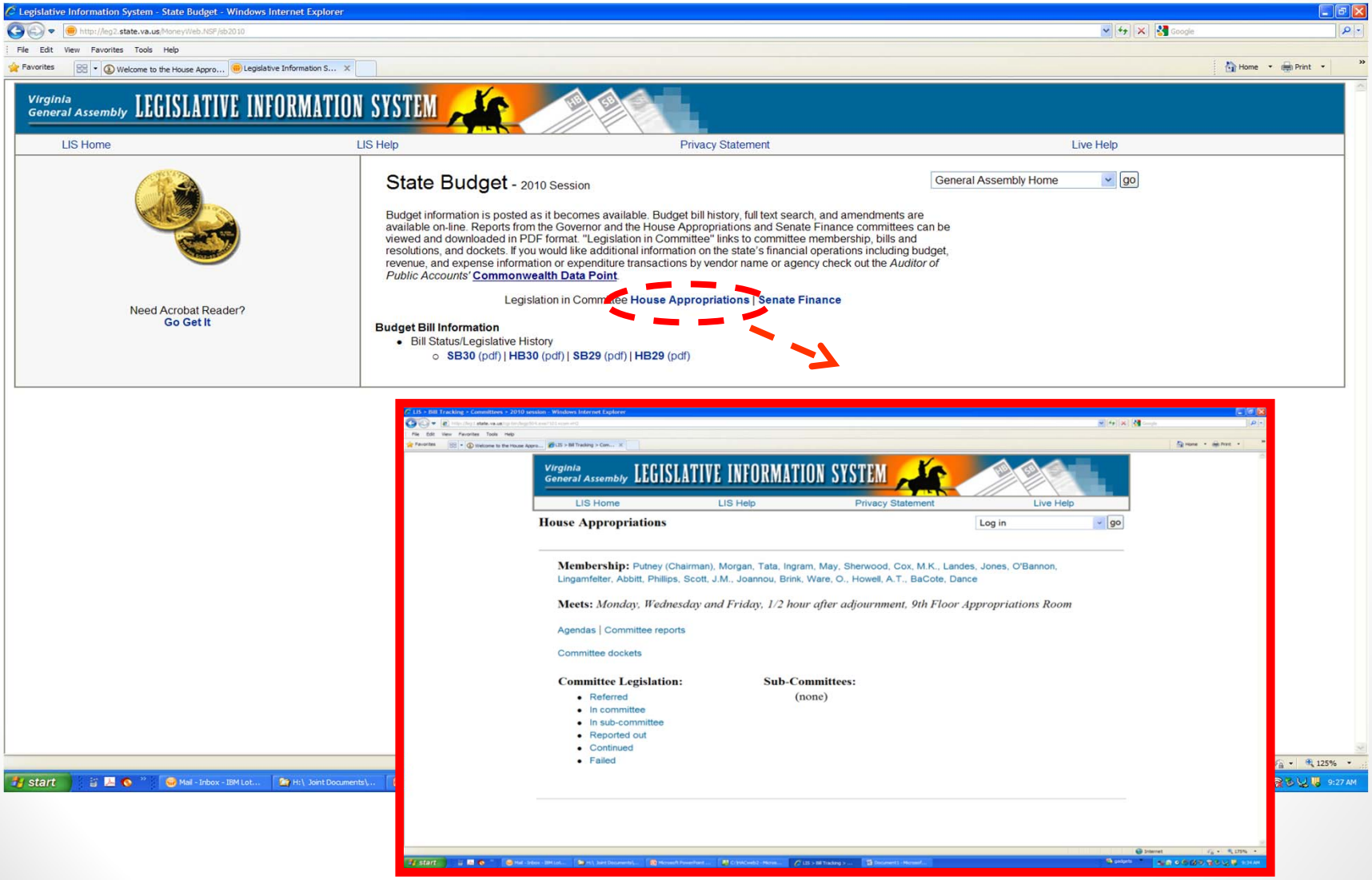
2011 Legislative Budget Process Important Dates to Check

- **January 12:** Budget Briefing for House Members (Appropriations Committee Room, 9th Floor, ½ hour after House adjournment)
- **January 14:** House Budget Amendment Request Deadline (5:00 p.m.)
- **February 6:** Committee reports budget amendments
- **February 9:** Budget Briefing for House Members (Appropriations Committee Room, 9th Floor, 9:00 a.m.)
- **February 22:** Budget conference committee to complete work
- **February 26:** Final vote on budget conference report

Budget Home & House Appropriations Home accessed via State Budget link



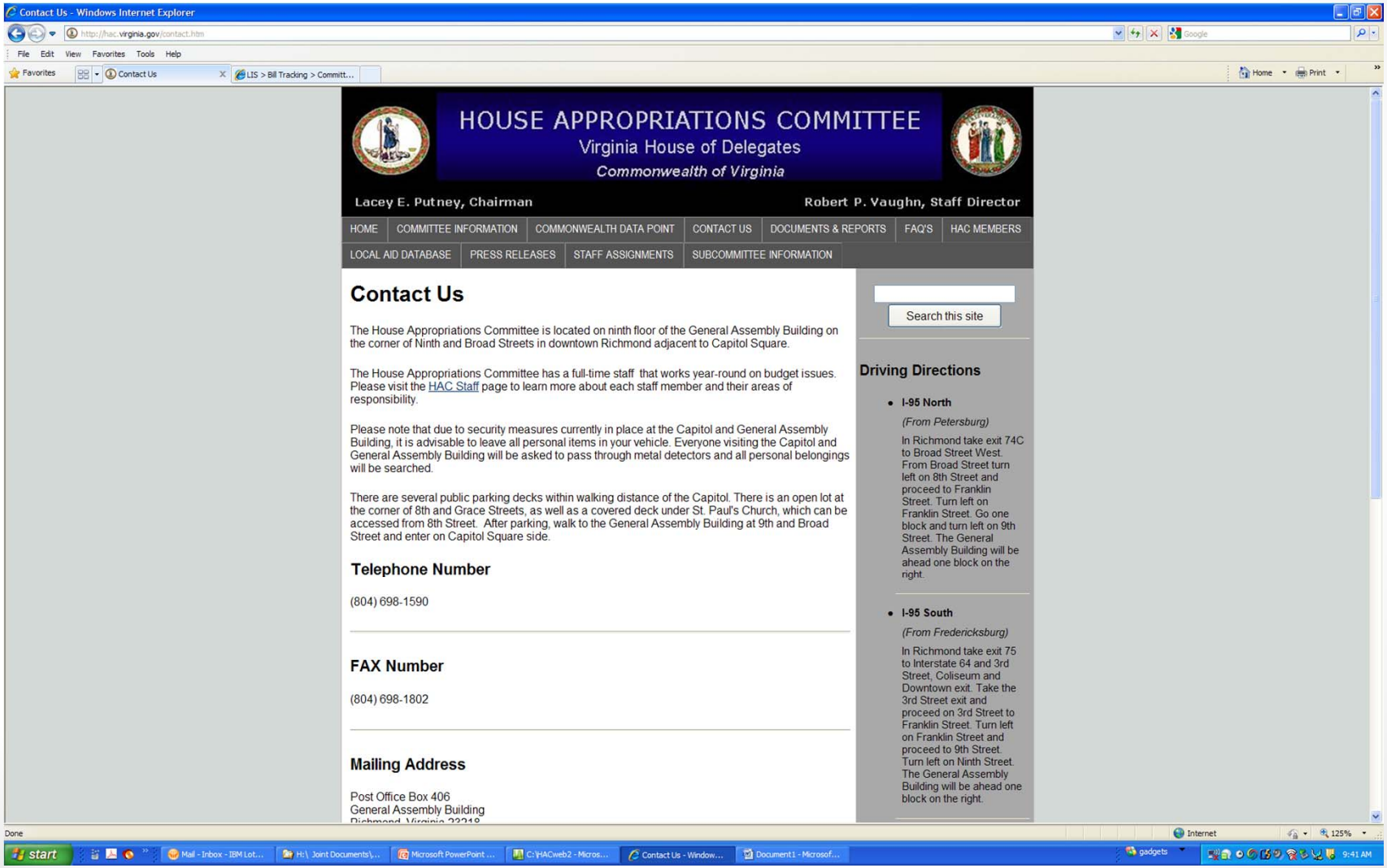
Budget Home Page



House Appropriations Web-site

Committee Information and News

Contact Information

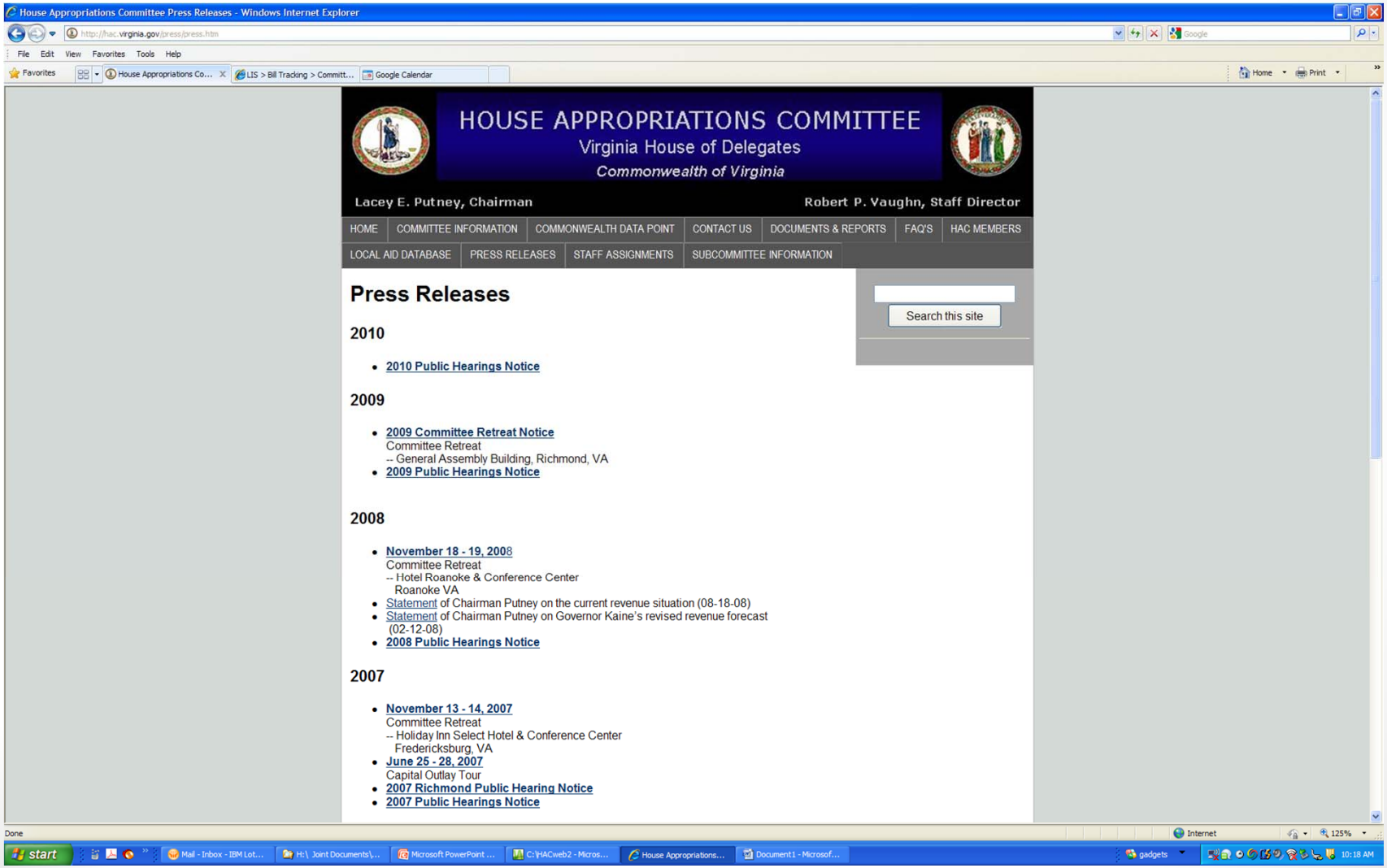


Documents and Reports

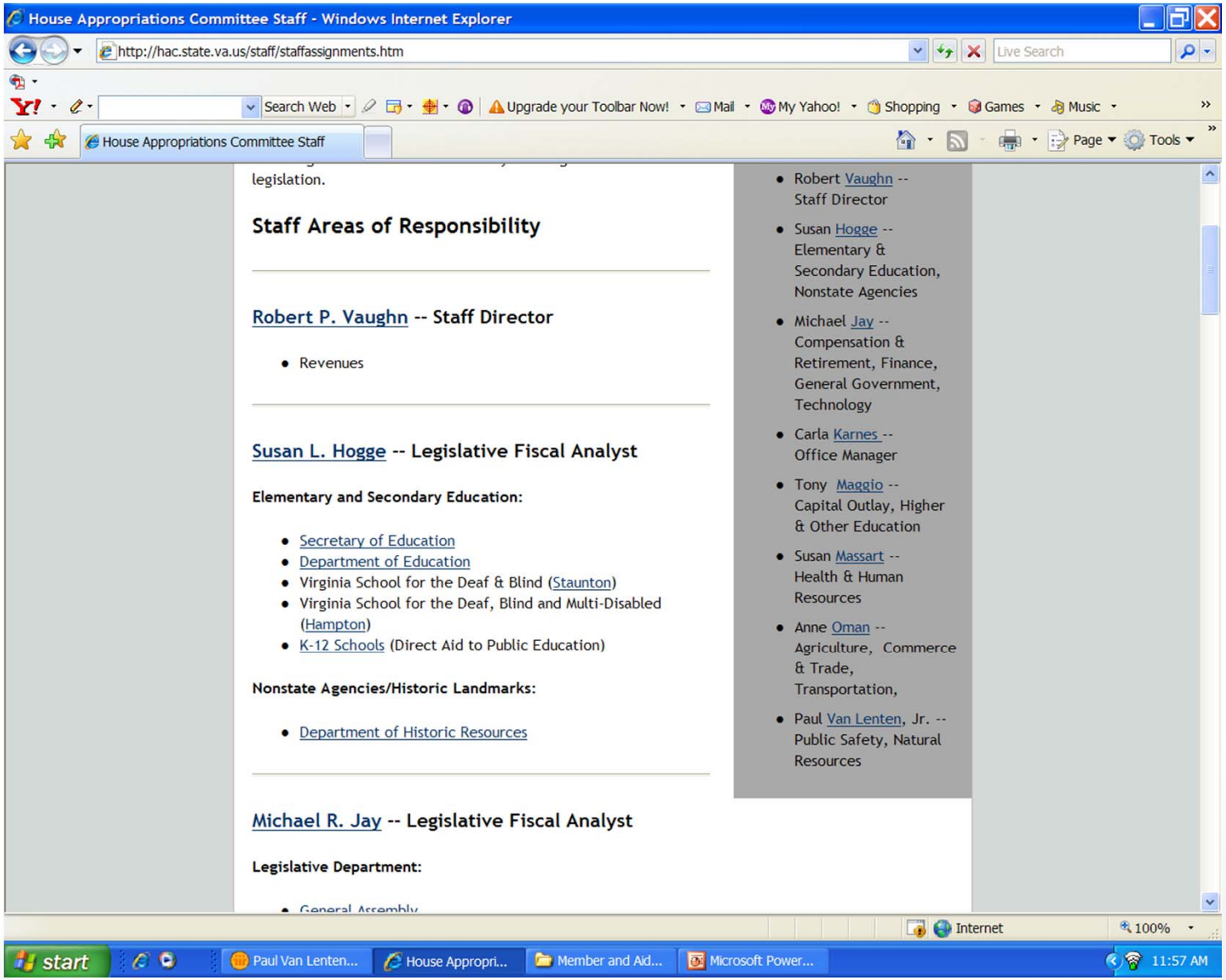
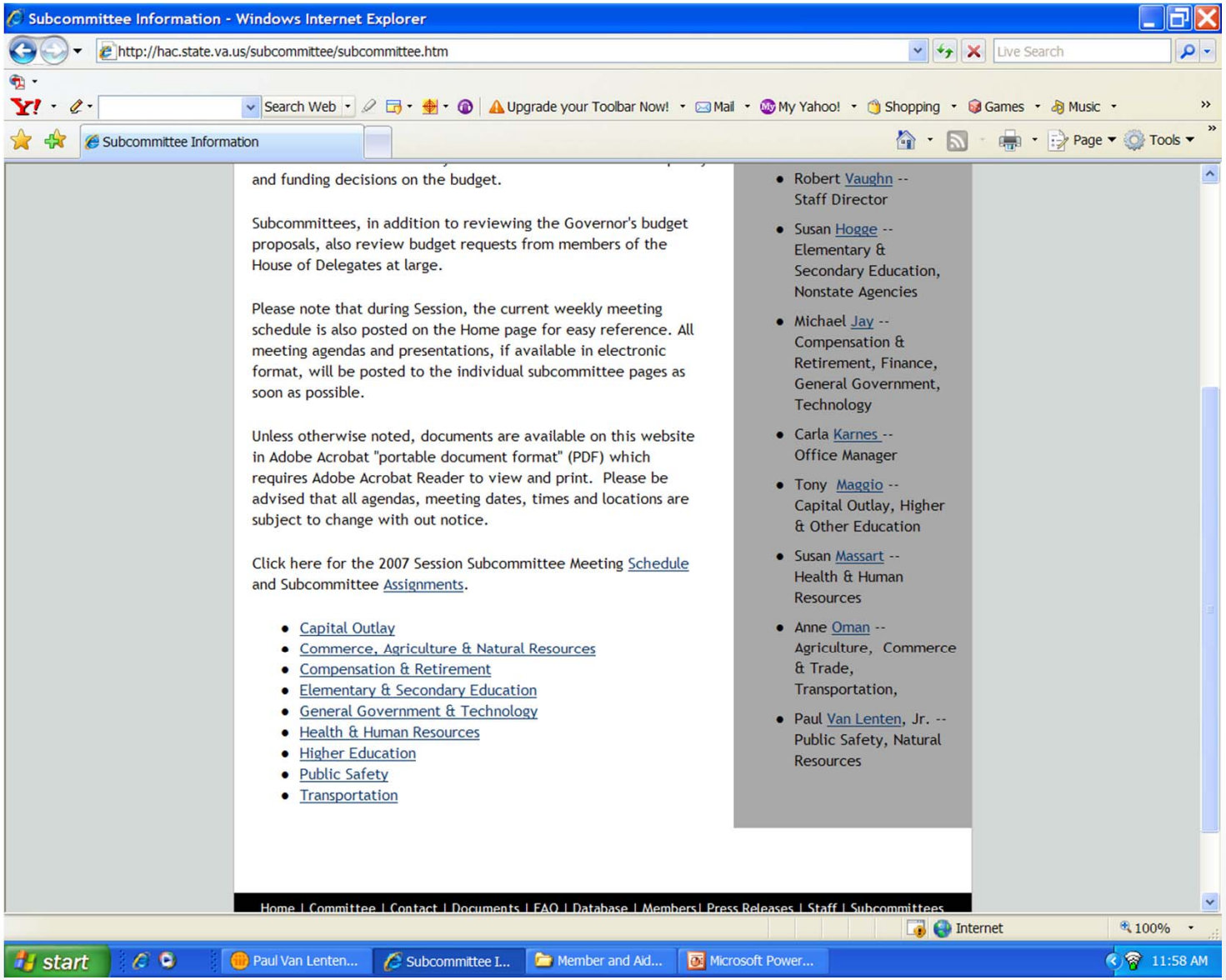
Frequently Asked Questions

Committee Members

Press Releases



Committee Staff



Subcommittees