Budget Processes in the States

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NASBO

NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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The National Association of State Budget Officers

Founded in 1945, NASBO is the instrument through which the states collectively advance state budget practices. The major functions of the organization consist of research, policy development, education, training, and technical assistance. These are achieved primarily through NASBO's publications, membership meetings, and training sessions. Association membership is composed of the heads of state finance departments, the states' chief budget officers, and their deputies. All other state budget office staff are associate members. NASBO is an independent professional and education association.

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Preface

The budget process is the arena in which a state determines public priorities by allocating financial resources among competing claims. The process used to develop the state budget has important implications on the final outcome in resource allocation. The authorities and restrictions on budget players influence each state's ability to achieve policy and funding objectives within the budget. *Budget Processes in the States* provides comparative analysis to demonstrate the diversity in state budgeting practices. The findings are based on the results from a field survey conducted by the National Association of State Budget Officers (NASBO) in the fall of 2014. The surveys were completed by executive state budget officers in all 50 states. This report also includes data reported by the District of Columbia; however, their data is not included in the 50 state totals in each table and in the text. The data are self-reported by the states.

This publication is updated periodically in an effort to keep abreast of changes states make in their budget processes and differences in how they implement and interpret budgeting conventions over time. This publication is primarily focused on states' operating budgets. For more detail on how states budget for capital expenditures, see NASBO's *Capital Budgeting in the States* report, published in Spring 2014. All NASBO publications are available online at *www.nasbo.org*.

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Introduction

NASBO published its first edition of *Budget Processes in the States* in 1975. Four decades later, the publication is widely used and cited by state budget offices, academic researchers, and others interested in the state budget process and variations across state governments. This edition of the report is divided into six sections as follows:

- **Budget Timeline and Participants:** This section outlines the budget cycle calendar followed by states, provides detailed information about the functions and staffing of budget offices, and describes states' revenue estimating processes.

- **Requirements, Authorities and Limitations:** This section focuses on the budgetary powers of the executive branch, as well as the state laws and regulations that govern and restrict state budgets, including balanced budget requirements, debt limits and tax and expenditure limits.

- **Budget Approach, Procedures and Tools:** This section examines the different budget methodologies used by states and which funds are subject to appropriation. It also provides detailed information on state rainy day funds and disaster funds, how states treat surpluses and unspent appropriations, and the use of integrated financial management systems by states.

- **The Budget Document:** This section looks at how the executive budget proposal and other key documents in the budget process are presented.

- **Monitoring the Budget:** This section provides information on how state budget offices and other participants monitor and control expenditures, transfer appropriated funds, and forecast future operating expenditures.

- **Performance Management and Spending Transparency:** This section shares details on how states collect, report and use performance data, state spending transparency websites, and statewide management initiatives.

Some tables have been added since the last edition of Budget Processes in the States, published in 2008, including ones on Unspent Appropriations *(Table 17)*, Using Performance Measures *(Table 29)*, State Spending Transparency *(Table 31)* and Management and Operations Analysis *(Table 32)*. Additionally, numerous other tables in this publication have been expanded to include further detail on topics of special interest to states. Some of this detail may be found in narrative form in footnotes following the tables as well. There is also a glossary at the end of the publication, which contains definitions of key terms, which are bolded in the text.

CHAPTER 1

Budget Timeline and Participants

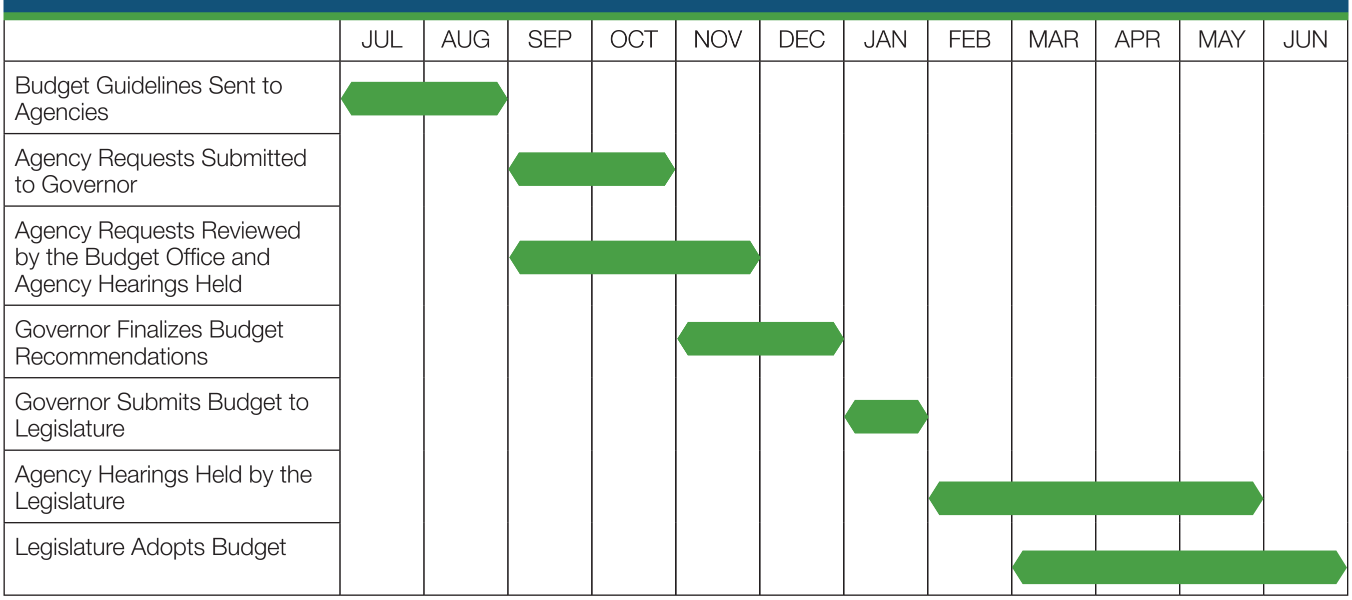
This section outlines how the budget cycle unfolds and the role of the major participants in the budget cycle. States generally have two different types of budgets: operating budgets and capital budgets. The **operating budget** is the budget established for the operation of state agencies or programs. The **capital budget** is the budget associated with acquisition or construction of major capital items, including land, buildings, structures, and equipment. Funds for capital projects are often appropriated from surpluses, **earmarked revenues**, or bond sales. Unless otherwise noted, the budget cycle discussed in this document refers to operating budgets. For more information and detail about the capital budget process at the state level, see NASBO's separate publication, *Capital Budgeting in the States*.[1]

The Budget Cycle (Table 1)

The typical budget cycle for an annual budget is represented in *Figure 1*. Thirty states operate on an annual budget cycle, which means that the budget provides appropriations for one fiscal year. Meanwhile, 20 states perform biennial budgeting, meaning that the budget is developed and adopted for the next two fiscal years. This chart also illustrates the approximate timeline used by biennial budget states in the year in which they develop their budgets.

To explore how states' budget cycle calendars vary and for other state-specific information, *see Table 1*.

Figure 1: The State Budget Cycle



[1] See NASBO, Capital Budgeting in the States (Spring 2014), *http://www.nasbo.org/capital-budgeting-in-the-states*.

Budget Instructions & Agency Requests

The state budget office is responsible for the analysis of agency submissions by consolidating the funding requests into a statewide budget proposal for the governor's approval. As demonstrated in Table 1, the budget cycle typically begins when the state budget office provides guidance to agencies within state government to submit budget requests. That guidance normally includes financial assumptions such as spending targets and inflation, and policy guidance on the governor's priorities. Guidelines are generally distributed to agencies in the summer months.

In most states, agencies submit requests to the governor in the fall. At this point the budget office staff begins reviewing the budget requests. The review may include program and management evaluations, economic and revenue analysis, as well as examination of caseload and demographic data to determine need. Budget office staff may also analyze national and state economic data to develop predictions of state business activity and state revenues. Across states there are varying degrees of collaboration between the budget office and the legislature with regard to determining caseload projections and revenue projections. In some states these projections are done separately by the budget office and the legislature whereas in other states there is consensus between the budget office and the legislature on the projections.

Throughout the review process the budget office staff will typically meet with the agency staff and advocates for clarification of the agency request. The meetings may be formal, as in the case of agency budget hearings or public hearings, or the communication may be informal. In some states, agencies are given the opportunity to review the budget office's recommendations prior to completion of the budget proposal.

Governor Review and Final Recommendations

After review and analysis of the agencies' budget requests, the budget office staff make recommendations to the governor on the overall budget proposal. The governor reviews the recommendations and often provides additional direction on the recommendations that are incorporated into the budget proposal. The budget office compiles the information into the governor's proposed budget. The governor then typically presents the proposed budget to the legislature, and also highlights key priorities during a state of the state address (which may take place before, after or during the proposed budget release). In most states, the governor submits the budget proposal in late fall or early winter, with the deadline determined either by statutory or constitutional provision.

In 24 states, the budget proposal submission deadline is extended for new governors entering their first term.

Legislative Review

The agencies' budget requests, in the context of the governor's budget proposal, are normally reviewed by the legislature in committee hearings throughout the winter and spring. Typically, each chamber of the legislature approves its own version of the budget with a conference committee appointed to resolve the differences between the two versions.

Adoption of the Budget

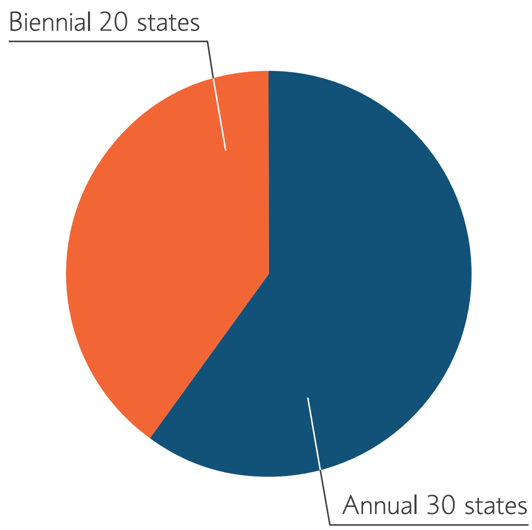
Adoption of the budget typically occurs in the spring before the beginning of the state fiscal year. Once the legislature passes the budget, generally the governor must sign it in order for it to become law. If the governor does not approve of the budget, he or she may veto the bill(s). The legislature generally has the power to override the governor's veto, though this usually requires a supermajority vote.

Fiscal years for all but four states begin on July 1. New York begins its fiscal year on April 1, Texas on September 1, and Alabama and Michigan on October 1. The District of Columbia also begins its fiscal year on October 1, which aligns with the federal fiscal year calendar.

Executing the Budget

Throughout the entire budget cycle, the state budget officer and the budget office staff play a critical role by assisting in the planning, evaluation, and implementation of the budget. Once approved, the budget office implements the budget. Implementation may take the form of accounting, auditing, approving contracts, or managing state finances, debt and/or cash flow.

Figure 2: Annual vs. Biennial Budgeting



Annual vs. Biennial Budgeting

Thirty states reported using an annual budget cycle and 20 states reported following a biennial budget cycle. However, in practice, a number of states use a combination of annual and biennial budgeting. In states that perform annual budgeting, there are cases when the governor will still release detailed spending recommendations for two fiscal years, such as in Iowa and Michigan. Among the 20 states that said they prepare a biennial budget, many explained that they have a fairly thorough **supplemental budget** process for the second year of the biennial budget. Connecticut and Hawaii each note that their supplemental process effectively makes the budget cycle annual in practice. *(See notes on "Supplemental Budget Process for Second Year of Biennial Budget" following Table 1.)* Arkansas explains in a footnote that while state law was recently amended to move to annual appropriations, budget recommendations for most agencies are still only presented to the legislature on a biennial basis. Among the biennial states, 17 enact the two-year budget in odd calendar years, while Kentucky, Virginia and Wyoming enact their biennial budget in even calendar years. Some biennial states may review capital recommendations in the off year.

The Budget Agency (Tables 2-5)

Functions of the Budget Agency

Table 2 describes the various functions of the executive budget agency, aside from its traditional budget development function (which is described in the above narrative on the "budget cycle"). A significant majority of state budget agencies (more than 40 out of 50) perform functions such as revenue estimating, **management analysis** (which is examined in greater detail in Table 32 of Chapter 6), program evaluation and review of agencies' legislative proposals. A majority of budget agencies also play a role in capital planning, strategic planning, fiscal note preparation, **economic analysis**, end-of-year reconciliation between accounting and budgeting, strategic planning, and reviewing state agencies' proposed regulations.

Other functions commonly performed by state budget offices include cash management, personnel/hiring controls, federal legislation analysis, contract approval, and **debt management**. Some budget agencies also perform accounting, demographic analysis, **tax expenditure** report preparation, centralized grants management, and auditing.

State Budget Personnel

Table 3 provides information on the state budget director, such as how he or she is appointed. In 34 states, the budget director is appointed by the governor, in 13 states the cabinet secretary or department head make the appointment, and in one state, both the governor and the cabinet secretary make the appointment. The budget director in South Carolina is appointed by the Budget & Control Board, while the District of Columbia's budget director is appointed by the city's Chief Financial Officer. In Louisiana, the budget director is not appointed but rather hired through the classified civil service. The state budget director is defined as a member of the cabinet in 29 states.

Table 4 presents comparative information on the size of each state budget office staff, as well as additional details on the budget analyst position. It is worth noting that since the previous edition of NASBO's *Budget Processes in the States* report was published in 2008, total reported budget agency personnel has declined. While agency reorganizations and changing interpretations of the scope of the "budget agency" over time may make it difficult to compare the total budget agency personnel in this report with the figures in the 2008 report, these issues are less problematic when just looking at budget function positions. There are 303 fewer budget function positions and, more specifically, 136 fewer budget analysts across state budget offices now compared to 2008. Not surprisingly, there has been an increase in the number of budget office technology/computer staff (+82 positions), coupled with a drop in the number of administrative staff (-93 positions).

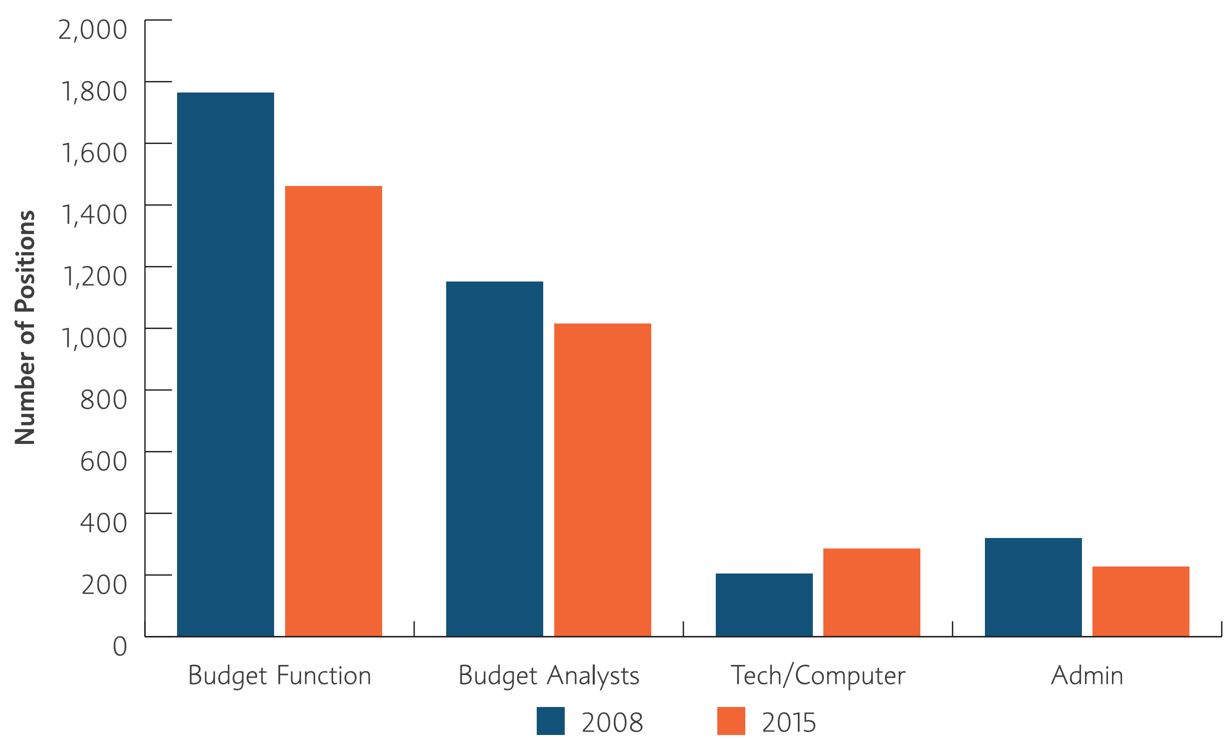
Some states provided the breakdown by position type for just the budget function, while others provided position type numbers for the entire budget agency. States responding to the survey were advised to use their discretion regarding whether to include all staff within the agency, or just the budget function, depending on the organization of the state's budget office. It can also be noted that in eight states, Illinois, Kansas, Maine, Montana, New York, South Carolina, Tennessee and West Virginia, the budget agency and budget function totals provided were equivalent.

Budget Office Location

Table 5 describes where the budget office "sits" within the executive branch. Notice that in five states (Arkansas, Massachusetts, Michigan, Tennessee, and Vermont), multiple locations were selected—among these, four selected both within a finance department and within a management/administration department, as in these states these functions reside within one department.

Reviewing the information in this table in conjunction with some of the preceding tables can lend insight into some possible implications of where the budget office is located. For example, every budget office that is housed within the governor's office performs the following management functions, as shown in Table 2: management analysis, coordination of statewide performance measures, program evaluation and strategic planning (though these are functions often performed by state budget agencies located outside of the governor's office as well). Additionally, based on the information provided in Table 3, in the vast majority of states with either a freestanding budget agency or a budget agency within the governor's office, the state budget director is a member of the governor's cabinet, provided the state has a cabinet. In contrast, among the 12 states where the budget agency resides within a finance department, only three have state budget directors who are part of the cabinet. Also not surprisingly, in every state with a freestanding budget

Figure 3: Budget Agency Staff 2008 vs. 2015



agency or a budget agency within the governor's office, the governor appoints the state budget director, whereas in budget agencies within another department, the budget director is in many cases appointed by a cabinet secretary or department head.

Timing and Role of Revenue Estimates (Table 6)

Before the beginning of the budget cycle, states develop **revenue estimates** and forecasts. These forecasts project the amount of revenue that will be available based on current law as well as the amount that will be available to support operating costs and capital outlays in the current and future fiscal years.

Thirty-one states have a formal revenue-estimating group established that provides revenue estimates for the executive budget. Twenty-one states have a council of economic advisors, which often provides the assumptions for the revenue estimate to be included in the governors' budget.

The agency responsible for applying economic assumptions and producing the actual revenue forecast differs across states. The budget agency is solely responsible for revenue forecasting in eight states, while a board or commission is solely responsible in eight states, and the revenue office is solely responsible in three states. The remaining states employ some combination of agencies or boards to develop forecasts, which may include the governor's office, legislature, and other entities, in addition to the budget agency, revenue office and board/commission.

States may revise revenue estimates prior to finalizing the governor's budget recommendations. This is typically done to provide more up-to-date information and greater accuracy to the governor's revenue and expenditure projections. Upon release of the governor's budget proposal, the legislature may also develop revenue estimates that may be revised and updated throughout the legislative process.

Twenty-five states have a **consensus revenue forecast** process. State-specific descriptions of this process can be found in the footnotes following the table, including which entities are represented on the consensus group, how often the group meets, and other aspects of the process. States vary in terms of how many years they project revenue beyond the current budget cycle, ranging from 0-10 years.

Table 1: Budget Calendar

State	Budget instructions sent to agencies	Agency requests submitted to governor	Agency hearings held	Public hearings held	Governor submits budget to legislature	Legislature convenes	Legislature adopts budget
Alabama*	September	November	January		February	February	February/May
Alaska*	July	October	September	Jan/April	15-Dec	3rd Tues of Jan	April
Arizona	1-Jun	1-Sep			5 days after legislature convenes	2nd Mon of Jan	no official deadline
Arkansas*	May	July	Aug/Oct	Oct/Dec	November	Jan/Feb	Jan/April
California*	April-Nov	September	Sept-Nov	Feb-June	10-Jan	January	15-Jun
Colorado*	May	1-Aug	Aug-Sept		1-Nov	2nd Wed of Jan	Late April (special bills often later)
Connecticut*	July	September	Feb-May	Feb-May	February	Jan/Feb	June/May
Delaware*	July	October		November	1-Feb	January	By June 30
Florida	July	October	Oct-Feb	Oct-Feb	30 days before legislature convenes	March	April/May
Georgia*	Mid-July	1-Sep	November	Jan/Feb	2nd Week of Jan	2nd Mon of Jan	Late Mar-Early Apr
Hawaii*	July/August	September	November		December	3rd Wed of Jan	April/May
Idaho	15-Jul	1-Sep	Jan-Feb (to legislature)		Jan (5 days after session convenes)	January	Feb-Mar
Illinois*	Sept-Oct	Oct-Nov	Dec-Jan	Feb-May	3rd Wed of Feb	2nd Wed of Jan	late May
Indiana	Early Summer	By Sept 1	Nov-April	Nov-April	2nd Mon of Jan	2nd Mon of Jan	29-Apr
Iowa	June/July	1-Oct	Nov/Dec	December	1-Feb	2nd Mon of Jan	April/May
Kansas*	June	September	November		January	January	May
Kentucky	July	15-Nov			10 or 15 days after legislature convenes	Early January	15-Apr
Louisiana*	20-Sep	15-Nov	During session	During session	45 days before legislature convenes	2nd Mon in March or 2nd Mon in Apr	Early June
Maine*	July	1-Sep	Oct-Dec	During session	January	January	30 days prior to adjournment
Maryland	June	Sept-Oct	Oct-Dec		3rd Wed of Jan	2nd Wed in Jan	83rd day of session
Massachusetts	Mid-November		February	Early-mid Dec	4th Wed of Jan	1st Wed of Jan	June
Michigan*	August	October	October	Feb-April	February	January	June
Minnesota*	May/June	15-Oct	Oct-Dec		4th Tues of Jan	January	May
Mississippi*	June	August	Sept-Oct	Sept/Oct	15-Nov	January	March/April
Missouri*	July	1-Oct	Jan-April	Jan-Feb	30 days after legislature convenes	1st Wed after 1st Mon in Jan	1st Fri after first Mon in May (by 6PM)
Montana	April and Aug	June and Sept 1	June/Sept		15-Nov	1st Mon in Jan	Late April
Nebraska*	July	15-Sep	Oct-Dec	Feb-April	15-Jan	January	May
Nevada*	March	1-Sep	September		January	1st Mon of Feb	June
New Hampshire*	1-Aug	1-Oct	November	November	15-Feb	December	May
New Jersey*	September	October	Nov/Dec		4th Tues in Feb	March	30-Jun
New Mexico	June 15th	1-Sep	Sept-Dec	Sept-Dec	Jan 5th or Jan 10th	3rd Tuesday in Jan	Mid-Feb or early-March
New York	Aug/Sept	October	Oct/Nov		Mid-January	January	March
North Carolina*	August	October	December		Early March	January	June-Aug
North Dakota*	April/May	July/Oct	July/Oct		1st week of Dec	January	April
Ohio	July	Sept/Oct			4 wks after session convenes (February)	1st Mon in Jan (not a holiday)	June
Oklahoma*	August	1-Oct	Nov-Jan	Feb-May	February	Feb-May	May
Oregon	Feb/May	September	Sept/Nov		1-Dec	February	Feb/June
Pennsylvania*	August	October	Dec/Jan	Feb-March	1st full week in Feb	January	by June 30
Rhode Island*	July	October	Nov-Dec	Feb-April	January	January	June
South Carolina	August	Sept/Oct	October		Jan-w/in 5 days after session begins	2nd Tues of Jan	June
South Dakota*	June/July	31-Aug	September	September	December	January	March/April
Tennessee	August	1-Oct	Oct/Nov	Nov/Dec	February 1st	January	April-June
Texas	June	July/Sept	July/Oct	July/Oct	By state of the state address	January	May
Utah	August	October	October		December	January	March
Vermont*	September	October	Oct/Nov	Oct/Nov	January (3rd Tues of session)	1st Wed after 1st Mon in Jan	May
Virginia	April-Aug	June-Oct	Sept-Oct		December	January	March-April
Washington	June	late Aug-early Sept			20-Dec	2nd Mon in Jan	April-June
West Virginia*	Early Aug	1-Sep	Sept-Nov		2nd Wed of Jan	January	March
Wisconsin*	June	September			January		June/July
Wyoming	June	August	Sept-Nov	Dec-Jan	1-Dec	January	March
District of Columbia*	September	December	Feb-April	Feb-April	March	15-Sep	May
Total							

* See Notes to Table 1 on page 13.
** See more details on extended budget deadline for new governors by state on page 10.
*** See descriptions of supplemental budget process for second year of biennial budget on page 11.

Table 1: Budget Calendar (continued)

State	Governor signs budget	Fiscal year begins	Legal source of budget submission deadline	Extended budget deadline for new governors**	Votes required to pass budget	Frequency of legislative cycle	Annual Budget Cycle	Biennial Budget Cycle***	Biennial Budget Enacted in Odd or Even Calendar year
Alabama*	May	1-Oct	C	X	Majority elected	A	X		
Alaska*		1-Jul	S		Majority elected	A	X		
Arizona	no official deadline	1-Jul	S		Majority elected	A	X	see note	
Arkansas*	Jan/April	1-Jul	S	X	Three-Fourths	A	see note	X	Odd
California*	27-Jun	1-Jul	C		Majority elected	B	X		
Colorado*	For FY 14-15, signed 4/30/14	1-Jul	S		Majority elected	A	X		
Connecticut*	June/May	1-Jul	S	X	Majority elected	A		X	Odd
Delaware*	By July 1	1-Jul	S		Majority elected	A	X		
Florida	May/June	1-Jul	S	X	Majority elected	A	X		
Georgia*	May	1-Jul	C		Majority elected	A	X		
Hawaii*	May	1-Jul	S		Majority elected	A		X	Odd
Idaho	Within 5 days (during session) or 10 days after adjournment	1-Jul	S		Majority elected	A	X		
Illinois*	June (60 days after received)	1-Jul	S		Majority elected	A	X		
Indiana	7 days after received	1-Jul	S	X	Majority elected	A		X	Odd
Iowa	May	1-Jul	S		Majority elected	A	X		
Kansas*	May	1-Jul	S	X	Majority elected	B	X		
Kentucky	Upon passage	1-Jul	S	X	Majority elected	A		X	Even
Louisiana*	Within 20 days after passage	1-Jul	S	X	Majority elected or Two-Thirds elected*	A	X		
Maine*	Within 10 days of passage	1-Jul	S	X	Majority elected	B		X	Odd
Maryland	N/A (Becomes law upon passage)	1-Jul	C	X	Majority elected	A	X		
Massachusetts	July	1-Jul	C	X	Majority elected	B	X		
Michigan*	June/July	1-Oct	S	X	Majority elected	A	X		
Minnesota*	May	1-Jul	S	X	Majority elected	A		X	Odd
Mississippi*	Within 5 days after passage	1-Jul	S	X	Majority elected	A	X		
Missouri*	within 45 days after session adjourns	1-Jul	S		Majority elected	A	X		
Montana	Early May	1-Jul	S	X	Majority elected	B		X	Odd
Nebraska*	June	1-Jul	S	X	Two-thirds elected	A		X	Odd
Nevada*	June	1-Jul	C,S		Majority elected	B		X	Odd
New Hampshire*	June	1-Jul	S		Majority elected	A		X	Odd
New Jersey*	30-Jun	1-Jul	S	X	Majority elected	A	X		
New Mexico	Early March or Early April	1-Jul	S		Majority elected	A	X		
New York	By April 1	1-Apr	C	X	Majority elected	A	X		
North Carolina*	June-Aug	1-Jul	C,S		Majority elected	B		X	Odd
North Dakota*	May	1-Jul	S		Majority elected	B		X	Odd
Ohio	June	1-Jul	S	X	Majority elected	A		X	Odd
Oklahoma*	May/June	1-Jul	S		Majority elected	A	X		
Oregon	May/July	1-Jul	S	X	Majority elected	A		X	Odd
Pennsylvania*	by June 30	1-Jul	S	X	Majority elected	A	X		
Rhode Island*	June	1-Jul	S	X	Two-thirds elected	A	X		
South Carolina	June	1-Jul	S		Majority elected	A	X		
South Dakota*	March/April	1-Jul	S		Majority elected	A	X		
Tennessee	Within 10 days after passage	1-Jul	S	X	Majority elected	A	X		
Texas	June	1-Sep	S		Majority elected	B		X	Odd
Utah	Within 20 days after session (late March/early April)	1-Jul	S		Majority elected	A	X		
Vermont*	May/June	1-Jul	S		Majority elected	A	X		
Virginia	within 7 days of presentation	1-Jul	S		Majority elected	A		X	Even
Washington	Within 20 days of passage	1-Jul	S		Majority elected	A		X	Odd
West Virginia*	Within 5 days of passage	1-Jul	C,S	X	Majority elected	A	X		
Wisconsin*	By June 30	1-Jul	S		Majority elected	B		X	Odd
Wyoming	March	1-Jul	S		Majority elected	A		X	Even
District of Columbia*	June	1-Oct	S		Majority elected	B	X		
Total				**24**			**30**	**20**	

* See Notes to Table 1 on page 13.
** See more details on extended budget deadline for new governors by state on page 10.
*** See descriptions of supplemental budget process for second year of biennial budget on page 11.
Codes: C=Constitutional S=Statutory A=Annual B=Biennial

Table 1: Additional Details and Notes

Extended Budget Deadline for New Governors

Alabama	In the first year of the Governor's term, the Regular Session of the Legislature begins on the first Tuesday in March. The Governor is required to introduce his/her budget by the second legislative day.
Connecticut	Newly elected Governors receive an additional two weeks to submit a budget.
Florida	Section 216.162(1) Florida Statute: At least 30 days before the scheduled annual legislative session, or at a later date if requested by the Governor and approved in writing by the President of the Senate and the Speaker of the House of Representatives.
Indiana	If a gubernatorial election has occurred then the deadline for the submission of the Governor's budget is extended by one week to the third Monday of January in odd numbered years.
Kansas	Newly elected governors have until the 21st day of the legislative session to submit a budget. Otherwise the deadline is the 8th day.
Kentucky	5 Legislative days
Louisiana	No later than 30 days prior to the regular session of the legislature
Maine	A Governor-elect elected to a first term of office shall transmit the budget document to the Legislature not later than the Friday following the first Monday in February of the first regular legislative session.
Maryland	Two additional days. Third Friday of January
Massachusetts	Five weeks later than the usual deadline.
Michigan	A newly elected governor is allowed an additional 30 days, up to 60 days, after the legislature convenes in regular session to present the proposed budget.
Minnesota	A new Governor is given until the 3rd Tuesday in February
Mississippi	January 31
Montana	Governor Elect budgets are submitted to the Legislature by January 7 of the odd numbered year
Nebraska	On or before February 1
New Jersey	New governors may have their budget submission deadline extended with the agreement of the Legislature (usually mid-March)
New York	In any year following a gubernatorial election, the Governor may submit the budget on or before February 1.

Extended Budget Deadline for New Governors (continued)

Ohio	March 15
Oregon	First day Legislature convenes
Pennsylvania	In a Governor's first term, the Governor's budget is submitted the 1st full week in March.
Rhode Island	First Thursday of February vs. Third Thursday of January in other years
Tennessee	March 1st
West Virginia	Extended to the 2nd Wednesday of February

Supplemental Budget Process for Second Year of Biennial Budget

Arizona	By statute, the nine largest agencies are on an annual budget cycle and all other agencies are to receive two, one-year appropriations, enacted every two years. However, this statute has been not withstood since 2008, with no indication that biennial budgeting will return in the near future.
Connecticut	Revisions are generally made to the second year of the biennial budget, effectively making the budget cycle annual in nature.
Hawaii	The state Constitution and statutes prescribe a biennium budget; in practice, a budget is submitted every year.
Indiana	While Indiana has a biennial budget, we don't develop a supplemental budget for the 2nd year of the biennium.
Kansas	Agencies submit their updated budgets, highlighting what has been changed from the previously approved amounts.
Kentucky	Embedded within the next biennial budget development cycle.
Maine	The Governor or Governor-elect shall also transmit any emergency bills that authorize additional appropriations or allocations in the current fiscal year that the Governor may wish to propose. This emergency bill is subject to the same requirements and deadlines as the biennial budget.
Minnesota	Minnesota's supplemental budget process and submission to the legislature is not prescribed in state statutes. In general, agencies submit requests in October for consideration. After the November Budget and Economic Forecast, the Governor (if they chose) submits a supplemental budget in January after the Legislature convenes. The supplemental budget is revised with the February Budget and Economic Forecast. The supplemental budget is enacted and signed into law by May of each even-numbered year.
Nebraska	Supplemental/deficit budget request instructions are issued in September with requests due to be submitted to the Budget Office in late October. The Governor's supplemental/deficit recommendations are presented to the Legislature in January. The Legislature adopts supplemental/deficit budget adjustments in March/April.
Nevada	Caseload, K-12 enrollment in excess of budget may request supplemental appropriation.

Supplemental Budget Process for Second Year of Biennial Budget (continued)

New York	The Governor submits the budget to the legislature on or before the second Tuesday in January, following the first day of the annual meeting of the legislature (typically mid-January).
North Carolina	In even-numbered years the Governor recommends adjustments to the second year of the enacted budget, which may include program eliminations or reductions, program expansions and new programs, and capital improvements. All recommended adjustments to the enacted budget must be supported by appropriation documentation and the same level of accounting detail as is required in the first year. These recommended changes are presented as amendments to the enacted state budget and incorporated in a recommended Current Operations Appropriation Act and a recommended Capital Improvements Appropriations Act. The operating and capital budgets for the second year of a biennium are adjusted in a "short" legislative session. This process allows the governor and General Assembly to take into account revenue fluctuations, salary increases, and emergency items. Traditionally, the second year adjustments occur in May and June of even-numbered years. Short Session Budget adjustments are generally but not always limited to adjustments of the biennial budget for operating requirements of programs, such as increases to reflect changes in the enrollment or population currently served by public schools, prisons and entitlement programs.
Ohio	If agencies have a need for additional spending authority or a transfer of appropriations between line items during a biennium, they may seek approval from the Controlling Board whose voting members are also members of the General Assembly. An alternative is to submit budget and policy proposals for consideration through the governor's mid-biennium budget review bill (MBR) which is a fairly recent means of adjusting budgets and proposing new policy reforms. The MBR is introduced late in the first year of the biennium.
Oregon	There are usually three Joint Interim Ways and Means Committee meetings between the end of the regular session (July of odd-numbered years) and the following February session (even-numbered years) when the legislative body may review potential and emerging budget issues. The legislature convenes for up to 35 days in a short session in February of even-numbered years and can take actions recommended by the Interim Ways & Means Committee. Following the short session, the Joint Legislative Emergency Board may schedule four or five meetings prior to the following regular session where the Board can take immediate action without convening the entire legislative body. The Legislative Emergency Board may convene at the call of the chairs at any time during the biennium, if necessary.
Texas	There is no formal process to address supplemental request. Supplemental request are considered by legislature during the second year of the biennium.
Virginia	The General Assembly has a short session in the odd year. The odd year session (45 days) uses the same budget process as the biennial bill. The even year session (60 days) considers the Biennial Appropriations; the odd year session considers amendments to the biennial appropriation act.
Washington	Instructions are sent to agencies in early to mid-September each year. Budget submittals are due from agencies in mid-October. Budget requests are then considered by the Governor, and his/her proposed budget is released in mid-December.
Wyoming	The same process as when the biennial budget is first developed.

Notes to Table 1

Alabama The Governor's Recommended Budget must be submitted by the second legislative day of each Regular Session of the Legislature. The dates of each Regular Session vary. In the first year of a Governor's term, the Regular Session begins on the first Tuesday in March. In the second and third years of a term, the Regular Session begins on the first Tuesday in February. In the fourth year of a term, the Regular Session begins on the second Tuesday in January.

Alaska By December 15th of each year, the governor must submit the proposed operating, capital, and mental health appropriation bills to the legislature. The Alaska Legislature is required by statute (AS 24.05.090) to convene in regular session annually on the third Tuesday in January. § 12 of the Alaska constitution states: The governor shall submit to the legislature, at a time fixed by law, a budget for the next fiscal year setting forth all proposed expenditures and anticipated income of all departments, offices, and agencies of the State. However, the actual budget deadline is in statute.

Arkansas Amendment 86 reduces the period for which appropriation bills are valid from two fiscal years to one, requiring the General Assembly to meet in a limited fiscal session during even-numbered years to consider appropriation bills. Based on rules adopted for the fiscal session by the Arkansas Legislative Council, budgets are only to be presented for the "Big 6" agencies. All other agencies have bills pre-filed based on Regular Session Recommendations. The "Big 6" agencies are: The Public School Fund, Department of Correction, Department of Community Correction, Department of Human Services, Department of Health, and the Institutions of Higher Education.

California The Governor must sign the budget bill within twelve calendar days of the legislature's passing of the bill.

Colorado There are no public executive branch hearings. The Joint Budget Committee begins public hearings in November.

Connecticut The legislative session is January through June in odd-numbered years, and February through May in even-numbered years.

Delaware The Governor-elect may prepare a statement of any recommendation or suggestion in connection with the proposed budget and such statement shall be presented to the General Assembly simultaneously with the presentation of the budget bill.

Georgia Agency hearings are meetings between the agency head and the Governor to discuss the agency's fiscal needs for the current and upcoming fiscal years. These usually take place in November. Public hearings on the budget are held by the General Assembly after the Governor submits his budget. These usually begin in late January and continue into February and March.

Hawaii Governor submits budget thirty days prior to the legislature convening (legislature convenes the third Wednesday of January).

Illinois Illinois' two most recent gubernatorial transitions led to budget deadline extensions, both of which required legislative action (Public Acts 93-1 and 96-1).

Kansas By law, only 21 agencies are on a biennial budget basis. Budget instructions from Division of the Budget (July 2014) now require all agencies to submit biennial budgets.

Louisiana Budget instructions are sent to agencies on or before September 20, but typically by August 31. Agency requests are submitted to the governor no later than November 15, but typically by October 15. Agency hearings and public hearings are held during the legislative session by the

House Appropriations Committee and Senate Finance Committee. Legislature convenes the second Monday in March in even-numbered years and second Monday in April in odd-numbered years. The legislature adopts the budget by the end of the legislative session, but typically by the beginning of June. If one-time money is included in budget, a two-thirds vote of elected House of Representatives is required to pass. Governor signs budget: A bill, except a joint resolution, becomes law if the governor signs it or if he fails to sign or veto it within ten days after delivery to him if the legislature is in session on the tenth day after such delivery, or within twenty days if the tenth day after delivery occurs after the legislature is adjourned.

Maine 1) The Legislature shall convene on the first Wednesday of December following the general election in what shall be designated the first regular session of the Legislature; and shall further convene on the first Wednesday following the first Tuesday of January in the subsequent even-numbered year in what shall be designated the second regular session of the Legislature. 2) The necessary vote for enactment is usually a simple majority, but emergency bills and bills excepted from the mandate provision of the State Constitution require a two-thirds majority of the entire elected membership of each body; referenda for bond issues and constitutional amendments require a two-thirds vote of those members present. The legislature adopts the budget by 30 days prior to the date of adjournment, except when Governor-elect, the first Friday in June.

Michigan 1) The governor must present the budget to the legislature within 30 days after the legislature convenes in regular session (typically early January) except in a year in which a newly elected governor is inaugurated into office, when 60 days are allowed. 2) The concurrence of a majority of members elected to and serving in each house is required to pass a budget bill. The assent of two-thirds of the members is required for the appropriation of public money or property for local or private purposes, and to have a bill take effect immediately. The general public has various opportunities to provide input on the executive budget. Some agencies hold public forums for input on the agencies' budget requests that are submitted to the governor. The governor periodically holds town hall meetings that are scheduled on an ad hoc basis. Public comments are also a component of legislative hearings held in February, March, and April following submission of the executive budget.

Minnesota Minnesota typically issues three sets of budget instructions. One for background materials (narratives), another related to budget system implementation and another providing specifics on the Governor's budget process. Public hearings are not held on the Governor's budget development. The state constitution defines when the legislature convenes in the first year of the biennium. The first year is the second Tuesday following the first Monday in January. Legislative leaders determine the start date for the second year of the biennium (typically in January).

Mississippi The Executive Budget is submitted in January during the first year of a governor's term. The Governor does not hold separate agency hearings (from Legislative Hearings). The governor's deadline to sign the budget is within five (5) days (Sundays excepted) after approval (Miss. Const. Ann. Art. 4, § 72).

Missouri The Governor does not hold official agency or public hearings. The General Assembly holds agency hearings, usually from January - April and public hearings usually from January - February. There is constitutional authority for annual and biennial budgeting. Beginning in FY 1994, the capital budget has been biennial. The operating budget has been on an annual budget with the exception of the budget for leased space, which was a biennial budget from FY 1995-2005.

Nebraska Agency hearings prior to presentation of the Governor's recommendations are not mandated nor typically held though informal discussions take place regularly. The time period indicated for public hearings is in reference to the public hearings held by the legislative branch. The executive branch receives public input through regular, daily contact with the Governor, the Governor's Office staff, and with the budget agency.

Nevada Date agency budget requests due to Budget: Nevada Revised Statutes (NRS) 353.210 http://leg.state.nv.us/NRS/NRS-353.html#NRS353Sec205. Governor submits budget to Legislature: not later than 14 calendar days before the start of the regular biennial Legislative session, which starts the first Monday of February of odd-numbered years.

Session start: Nevada Constitution ARTICLE. 4.—Legislative Department Sec. 2. http://leg.state.nv.us/Const/NvConst.html#Art4Sec2

Budget submittal to Legislature: NRS 353.230 http://leg.state.nv.us/NRS/NRS-353.html#NRS353Sec230

New Hampshire The New Hampshire legislature is elected for a two year term yet meets in regular session each year.

New Jersey New Jersey's legislative session continues throughout the year. The date used for "Legislature convenes" refers to the start of the legislative budget hearings.

New Mexico The governor's deadline to submit budget to the legislature is January 5th during even numbered years and January 10th during odd numbered years. The legislature adopts the budget by mid-February in even years and by early March in odd years. The governor signs the budget by early March in even years and early April in odd years.

North Carolina Budget instructions for budget preparation are sent to agencies.

North Dakota The Governor submits the budget to the legislature during their organizational session the first week of December. The actual date varies. An outgoing Governor submits the budget the first week of December. The incoming Governor only makes amendments to the budget as submitted. There is no specific deadline to submit amendments. If an emergency clause is included in the measure, to allow spending to occur immediately, a two-thirds vote is required.

Oklahoma Public hearings refer to Legislative hearings. The Executive Branch does not hold any public hearings.

Pennsylvania The Governor's budget is submitted in February, except in a Governor's first term when it is submitted in March.

Rhode Island Agency budget requests for some smaller agencies are submitted in September. Agency hearings refer to internal meetings with agencies to review budget requests and proposed recommendations prior to official budget submission.

South Dakota The Governor submits the budget on the first Tuesday after the first Monday in December.

Vermont The state constitution prescribes a biennial legislature; in practice, legislature meets annually, in regular and adjourned sessions.

West Virginia Budget Office hearings are open to the public.

Wisconsin While new governors are not provided an extended budget deadline, Wisconsin statutes provide a mechanism for a governor to request, and the legislature to approve by joint resolution, a later budget deadline.

District of Columbia Substitute "Mayor" for "Governor" for the District of Columbia. After the legislature passes and the Mayor signs the budget, the District sends it to Congress for final approval.

Table 2: Budget Agency Functions

	Economy			Legislation & Regulation				Management					
State	**Revenue Estimating**	**Economic Analysis**	**Demo-graphic Analysis**	**Fiscal Notes**	**Review Agencies' Legislative Proposals**	**Review State Agencies' Proposed Regs (other than fees)**	**Federal Legislation Analysis**	**Management Analysis**	**Coordination of Statewide Performance Measures**	**Program Evaluation**	**Strategic Planning**	**Capital Planning**	**Audit**
Alabama*	X	X	X	X	X		X	X	X	X			
Alaska		X		X	X		X	X	X	X	X	X	
Arizona	X	X		X	X			X	X	X	X	X	
Arkansas					X			X		X		X	
California*	X	X	X	X	X	X		X		X	X	X	X
Colorado*	X	X			X	X		X	X	X	X	X	
Connecticut	X	X		X	X	X	X	X	X	X	X	X	
Delaware*					X		X	X	X	X	X	X	
Florida	X	X	X	X	X	X		X	X	X	X	X	
Georgia	X	X	X	X	X			X	X	X	X	X	
Hawaii	X	X			X	X		X	X	X		X	
Idaho	X	X		X	X	X		X	X	X	X		
Illinois*	X	X		X	X	X	X	X	X	X	X	X	
Indiana*	X	X		X	X	X					X	X	
Iowa	X	X	X		X	X	X	X	X	X	X	X	
Kansas	X	X	X	X		X		X	X	X			
Kentucky	X	X	X	X	X	X	X	X			X	X	
Louisiana	X	X							X	X	X		
Maine*	X			X	X		X	X		X			
Maryland*	X	X		X	X			X	X	X	X	X	
Massachusetts	X				X	X			X			X	
Michigan*	X			X	X			X		X	X		X
Minnesota	X	X		X	X	X		X	X	X	X		
Mississippi	X	X			X		X		X	X	X	X	
Missouri*	X	X	X	X	X	X	X	X	X	X	X	X	
Montana*	X	X		X	X			X	X	X	X	X	
Nebraska*				X	X	X	X	X	X	X			
Nevada*	X	X	X	X	X				X			X	
New Hampshire*	X			X				X					
New Jersey*	X			X	X	X	X	X	X	X	X	X	X
New Mexico	X	X	X	X	X	X	X	X	X	X	X	X	X
New York	X	X	X	X	X	X	X	X	X	X	X	X	
North Carolina	X	X	X	X	X	X	X	X	X	X	X	X	X
North Dakota*	X	X	X	X	X		X	X		X		X	
Ohio*	X	X		X	X			X				X	
Oklahoma	X	X			X				X	X	X	X	
Oregon*					X		X	X	X	X	X	X	
Pennsylvania*	X			X	X	X	X		X	X		X	X
Rhode Island*	X	X		X	X	X	X	X	X	X	X	X	
South Carolina*				X	X			X	X	X	X	X	
South Dakota*	X	X		X	X	X	X	X	X	X	X	X	
Tennessee	X				X					X		X	
Texas*		X	X		X	X	X	X	X	X	X		
Utah	X	X	X		X			X	X	X	X	X	
Vermont*	X	X		X	X		X	X	X		X		X
Virginia*		X		X	X	X		X	X	X	X	X	
Washington	X	X	X	X	X	X	X	X	X	X	X	X	
West Virginia	X			X	X			X		X	X		
Wisconsin	X	X		X	X	X				X		X	
Wyoming				X	X			X					
District of Columbia*								X			X	X	
Total	**41**	**36**	**16**	**37**	**47**	**26**	**23**	**41**	**37**	**42**	**35**	**37**	**7**

* See Notes to Table 2 on page 18.

Table 2: Budget Agency Functions (continued)

State	Finance: Accounting	Contract Approval	Tax Expenditure Report Preparation	Debt Management	Cash management	Centralized grants management	Personnel/hiring controls	End-of-year reconciliation between accounting and budgeting
Alabama*					X			X
Alaska							X	
Arizona				X	X			X
Arkansas								
California*	X		X	X	X			X
Colorado*								
Connecticut		X					X	
Delaware*						X	X	
Florida								X
Georgia			X	X	X			X
Hawaii		X		X	X	X	X	X
Idaho					X		X	X
Illinois*		X		X		X		
Indiana*		X	X				X	X
Iowa						X		X
Kansas					X			
Kentucky			X				X	X
Louisiana		X						X
Maine*		X					X	X
Maryland*		X	X	X			X	
Massachusetts		X				X	X	X
Michigan*	X							X
Minnesota	X			X	X		X	X
Mississippi	X	X	X	X	X			X
Missouri*			X	X	X			X
Montana*		X		X	X			X
Nebraska*							X	
Nevada*		X					X	X
New Hampshire*	X	X	X				X	X
New Jersey*	X				X	X	X	X
New Mexico	X	X	X	X	X		X	X
New York		X	X	X	X		X	X
North Carolina		X						X
North Dakota*	X			X	X			X
Ohio*	X	X	X	X	X		X	
Oklahoma	X	X			X		X	X
Oregon*				X				X
Pennsylvania*	X	X	X	X	X		X	
Rhode Island*				X		X	X	X
South Carolina*	X							X
South Dakota*	X			X	X			
Tennessee		X	X					
Texas*		X		X	X			
Utah						X		X
Vermont*	X	X		X	X			X
Virginia*								X
Washington	X	X					X	X
West Virginia					X		X	X
Wisconsin	X	X		X	X			X
Wyoming					X			
District of Columbia*								X
Total	**16**	**23**	**13**	**21**	**24**	**8**	**23**	**35**

* See Notes to Table 2 on page 18.

Table 2: Additional Details and Notes

Notes to Table 2

Alabama	Alabama statute requires Alabama's Legislative Fiscal Office to prepare official fiscal notes on legislation but the Executive Budget Office also prepares them independently.
California	Accounting functions includes maintenance of the California Statewide Accounting and Reporting System (CALSTARS), and establishing accounting policies for the state. The State Controller's Office performs the day to day accounting functions.
Colorado	Note that with respect to Finance, OSPB does review grants based on a set of criteria but we do not manage the total grant. On personnel, hiring controls, we don't do specific agency controls but we do request set levels of FTE in the budget requests and depending on the direction of the Governor, at times have implemented hiring freezes.
Delaware	OMB oversees compliance with requirements mandated by the Cash Management Improvement Act of 1991. OMB also is responsible for promulgating accounting policy through the Statewide Budget and Accounting Manual. Grants management is accomplished at the agency level, however OMB manages the federal funds clearinghouse providing for a statewide review of all federal funds coming into Delaware.
Illinois	The Grant Accountability and Transparency Act went into effect on July 3, 2014. A Grant Accountability and Transparency Unit was created within the Governor's Office of Management and Budget to assist agencies in standardizing the grant application, processing and monitoring processes as well as help agencies and providers comply with the new federal regulations—the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR 200).
Indiana	The Government Efficiency and Financial Planning Division of the Indiana OMB performs management analysis, coordination of statewide performance measures, and program evaluation.
Maine	The State Budget Officer is a member of the Revenue Forecasting Committee and the Contract Review Committee.
Maryland	Contract Approval—Budget analysts certify funding availability; Analysts are not responsible for outright approval. Debt Management—This is primarily the responsibility of the State Treasurer, but the Budget Office works closely with the Treasurer's Office on all debt matters and assists in the preparation of materials for bond sales. Personnel/hiring controls—The Budget Office must approve hiring freeze exceptions for positions subject to the Statewide hiring freeze.
Michigan	1) The State Budget Office estimates non-tax revenue and the State Treasurer estimates tax revenue. 2) The State Budget Office reviews all intergovernmental mandates and prepares fiscal notes as part of the Executive Budget process. Legislative fiscal agencies prepare fiscal

	notes as bills progress through the legislative process. 3) The Governor's office and state agencies coordinate statewide performance measures as part of Michigan's Open Government initiative. 4) Debt management and cash management are primarily duties of the State Treasurer with assistance from the State Budget Office. 5) State accounting and state internal audit functions are centralized in the State Budget Offices and operate as service centers.
Missouri	There is a consensus revenue estimating process that includes members from the House and Senate budget offices and others, as invited. The budget office is not responsible for all fiscal notes, just those related to the budget. The Budget office does review all fiscal notes of bills passed by the legislature before the bills are signed by the Governor. The budget office's role in debt/cash management is advisory and to provide assistance as needed.
Montana	Budget Office is partially responsible for debt management.
Nebraska	The budget agency provides coordination and guidance as it works with state agencies in the development of agency level performance measures.
Nevada	Budget analyzes agency caseload projections. Agencies that are affected by proposed legislation are asked by legislative fiscal staff to prepare fiscal notes. Budget reviews agency fiscal notes before they are forwarded to legislative staff. Budget analysts review contracts before forwarding them to the Board of Examiners (Governor, Attorney General and Secretary of State) for approval; smaller contracts may be approved by the budget director acting as clerk to the board. Parts of the Department of Administration include a centralized grants office, an audit division, assist Taxation with the tax expenditure report, train agencies on strategic planning, and do capital planning.
New Hampshire	Tax expenditure reports are prepared by the Dept. of Revenue. The Budget Office is a component unit of the Department of Administrative Services which performs the central payroll, accounting, reporting, and personnel support functions for the State.
New Jersey	The Office of Management and Budget frequently reviews proposed legislation and regulations. However, it does not have a formal or statutory role in approving those proposals prior to release.
North Dakota	The Budget Office is responsible for only those fiscal notes related to the budget recommendations or OMB functions.
Ohio	A tax expenditure report is prepared by the Department of Taxation every two years and is published with the Governor's Executive Budget.
Oregon	The data reported here includes all functions of the Budget and Management Section, which is located within the Department of Administrative Services. Other functions within the Department of Administrative Services, but not in Budget and Management, include Revenue Estimating, Accounting, Contract Approval, Economic Analysis, and Demographic Analysis. The Department of Revenue prepares the tax expenditure report with the assistance of the Budget and Management Section. The report is published with the Governor's biennial recommended budget. For debt management, the State Treasurer sets overall policy, while the Budget and Management Section coordinates execution of transactions for debt issuance and debt service for most state agencies. While the Budget and Management Section has some responsibilities related to Cash Management, that is primarily a function of the Treasurer.

Notes to Table 2 (continued)

Pennsylvania	The tax expenditure report is prepared by the Department of Revenue and included in the Governor's annual recommended budget which is published by the Office of the Budget. The Budget Office also prepares cash flow estimates for the state treasurer and schedules major payments, and conducts sales tax anticipation notes, bond, and other forms of short-term debt.
Rhode Island	Budget Office does approve purchase requisitions for funding, but not actual contracts.
South Carolina	The State Budget Division is responsible for impacts on appropriations/expenditures. The Board of Economic Advisors is responsible for revenue impacts.
South Dakota	South Dakota works with South Dakota Building Authority to issue bonds.
Texas	Legislative Budget Board (the legislative's budget agency) is responsible for fiscal notes, not the Executive Budget Office. LBB coordinates statewide performance measure and compiles reports.
Vermont	Debt management and cash management are primarily duties of the State Treasurer, to which the budget agency contributes.
Virginia	Economy: Responsible for the coordination of the non-general fund revenue estimates completed by the agencies. Management: Management analysis is done on an 'as requested' basis. Program evaluation is on an 'as requested' basis. Budget agency coordinates the strategic planning process. Capital planning, the agency is responsible for coordinating the 6-year capital outlay plan. Finance: Cooperates with the accounting agency on year-end reconciliation.
District of Columbia	Most of these functions are performed by sister agencies within the Office of the Chief Financial Officer, independent of the Mayor and the Council.

Table 3: The Budget Director

State	State Budget Director Official Position Title	The state budget director is appointed by:	Appointment is subject to approval by:	Starting Salary Determination	FY 2014 salary range or salary for budget director	Member of cabinet
Alabama	State Budget Officer	C	NA	D	$160,440	
Alaska*	Director, Office of Management and Budget	G	NA	P	$170,252	X
Arizona	State Budget Director/Director, Governor's Office of Strategic Planning and Budgeting	G	G	D	$147,000	X
Arkansas	State Budget Administrator	C	NA	P	$88,957 - $111,196	
California	Director of Finance	G	S	P	$175,000	X
Colorado	Director, Governor's Office of State Planning and Budgeting	G	NA	D	Approx $165,000	X
Connecticut*	Secretary, Office of Policy and Management	G	O	P	$124,836 - $183,996	No Cabinet
Delaware*	Director of the Office of Management and Budget	G	S	O**	$147,370	X
Florida	Director of Planning and Budgeting	G	NA	D	$77,471 - $174,112	
Georgia	Chief Financial Officer/Director, Governor's Office of Planning and Budget	G	NA	D	$100,000 - $150,000	No Cabinet
Hawaii	Director of Finance	G	S	O**	$143,028	X
Idaho	Administrator, Division of Financial Management, Office of the Governor	G	S	D	$123,000	X
Illinois	Budget Director	G	NA	D	$125,000	X
Indiana	Budget Director	G	NA	D	$120,000	X
Iowa	Director, Iowa Department of Management	G	S	P	$100,840 - $154,300	X
Kansas*	Director of the Budget	G	NA	D	$130,000	X
Kentucky	State Budget Director	G	NA	D	$145,000	X
Louisiana*	State Director of Planning and Budget			P	$76,357 - $160,680	
Maine	State Budget Officer	C	G	P	$67,000 - $93,000	
Maryland*	Executive Director, Office of Budget Analysis	C	NA	P	$104,679 - $139,849	
Massachusetts	Assistant Secretary for Budget and Fiscal Operations	C	NA	D		
Michigan*	State Budget Director	G	G	D	$150,000	X
Minnesota	Assistant Commissioner—State Budget Director	C	G	P	$84,627 - $121,271	
Mississippi	Director, Office of Budget & Fund Management	C	NA	P	$77,703 - 135,979	
Missouri*	Director of Budget and Planning	C	G	P	$78,512 - $113,924	
Montana	Budget Director	G	NA	D	$105,000 - $110,000	X
Nebraska	State Budget Administrator	C	G	D	$140,906	X
Nevada*	Chief of the Budget Division and Director, Department of Administration	G	NA	O**	$127,721 less furlough	X
New Hampshire*	Budget Officer, Assistant Commissioner	C	G	P	$82,000 - $108,000	
New Jersey	Director, Office of Management and Budget	G	S	D	$125,000 - $135,000	
New Mexico	State Budget Director	G	G	P	$96,000	
New York	Director, Division of the Budget	G	NA	D	$170,000	X
North Carolina	State Budget Director	G	NA	D	Set by the Governor	X
North Dakota	Director, Office of Management and Budget	G	NA	D	$180,000 - $190,000	X
Ohio	Director of Budget and Management	G	S	O**	$73,715 - $157,955	X
Oklahoma	Director—Office of Management and Enterprise Services	G	S	D	$161,000	X
Oregon	Chief Financial Officer, Department of Administrative Services	C	G	P	$109,500 - $153,282	No Cabinet
Pennsylvania	Secretary of the Budget	G	NA	P	$149,497	X
Rhode Island*	Executive Director/State Budget Officer	C	G	P	$126,295 - $140,018	X
South Carolina	Director, Budget & Control Board—State Budget Division	O**	O	P	$125,000	
South Dakota	Commissioner	G	NA	D	$131,127	X
Tennessee	Commissioner of Finance and Administration	G	NA	P	$150,000 - $190,000	X
Texas*	Budget Director, Office of the Governor	G	G	D	$111,793 - $184,458	No Cabinet
Utah	Executive Director of Governor's Office of Management and Budget	G	G	D	$67,642 - $160,222	X
Vermont*	Commissioner of Finance and Management	G	S	O**	$102,046	
Virginia*	Director Department of Planning & Budget	G	O	P	$162,470	
Washington	Director of the Office of Financial Management	G	S	P	$163,000	X
West Virginia	Secretary of the Department of Revenue	G	S	O**	$95,000	X
Wisconsin	Administrator, Division of Executive Budget and Finance	C	G	P	$81,632 - $126,531	X
Wyoming*	Budget and Economic Administrator	G, C	G	P	$85,500 - $123,356	
District of Columbia	Deputy Chief Financial Officer for Budget and Planning	O**	NA	P	$164,800 - $186,430	
Total						**29**

* See Notes to Table 3 on page 22. ** See "other" descriptions on page 22.

Codes: G = Governor D = At full discretion of the Governor/Cabinet Secretary or Department head C = Cabinet Secretary/Department head P = Based on experience, within predefined salary range
S = Senate O = Other NA = Not Subject to Approval No Cabinet = State does not have a cabinet

Table 3: Additional Details and Notes

"Other" Official to Appoint State Budget Director

South Carolina	Budget & Control Board
District of Columbia	Chief Financial Officer

"Other" Method to Determine State Budget Director Salary

Delaware	Salaries for Cabinet and other state officials are determined in the annual budget act.
Hawaii	Executive salary commission
Nevada	The pay bill, passed each session, sets the maximum salary. The Governor may elect to pay less.
Ohio	The governor has discretion to determine the director's salary within a set pay range.
Vermont	Statute
West Virginia	Set by statute

Notes to Table 3

Alaska	The salary figure for the Director of the Office of Management and Budget represents the amount as budgeted during the Beginning of Fiscal Year 2014 Management Plan Process.
Connecticut	The Secretary's appointment is made by the Governor with the advice and consent of either house of the General Assembly.
Delaware	The OMB Director salary will increase to $147,870 effective January 1, 2015.
Kansas	Current budget director also serves as Director of State Hospitals.
Louisiana	The state budget director is not an appointed position, but a classified civil service position hired by the Commissioner of Administration (or his/her deputy or assistant commissioner).
Maryland	The state budget director reports to the Secretary of Budget and Management who is appointed by the Governor, subject to approval of the State Senate. The Secretary is a member of the Governor's Cabinet. The salary range for the Secretary's position is $130,459 - $174,487.
Michigan	Under state law, the State Budget Director may concurrently serve as the director of the Department of Technology, Management, and Budget. Presently, the Governor has made separate appointments to these positions.

Notes to Table 3 (continued)

Missouri	The Director is appointed by the department head with Governor approval.
Nevada	$127,721 is the maximum salary in the 2013 pay bill for the Director of the Department of Administration, who is also the budget director. That was reduced in FY 14 by 48 hours of furlough. http://leg.state.nv.us/Session/77th2013/Bills/AB/AB511_EN.pdf
New Hampshire	The Budget Officer is nominated by the Commissioner of the Department of Administrative Services to be confirmed by the Governor and Executive Council for a term of four years. The Budget Officer additionally serves in the capacity of Assistant Commissioner for the Department of Administrative Services.
Rhode Island	Although appointed by the Director of Administration with the approval of the Governor, the State Budget Officer is a civil service position.
Texas	The state budget director position is not an appointed position, but serves at the pleasure of the Governor.
Vermont	Member of the extended cabinet.
Virginia	Confirmed by a joint resolution of both houses of the general assembly.
Wyoming	Salary range for Budget Manager

Table 4: Budget Agency Personnel

State	Total Positions in:		Number of:				Starting Salary Determination	FY 2014 salary range for budget analysts	Budget analysts hired through civil service
	Budget agency	Budget function	Budget analysts	Technology/ computer staff	Administrative staff	Other staff			
Alabama*	9	8	7	0	1	1	A	$33,902 - $113,479	X
Alaska*	17	13	9	2	2	4	P	$66,525 - $120,043	
Arizona	19	17	17	1	1		D	$55,000 - $147,000	
Arkansas	18	15	11	1	1		P	$37,332 - $78,038	
California	479	203	116	43	17	303	P	$37,924 - $93,274	X
Colorado*	18	13	11	0	1	6	O**	$55,000 - $105,000	
Connecticut*	126	25	23	1	1	0	P	$62,229 - $183,996	X
Delaware*	414	22	11	1	4	6	P	$44,094 - $77,310	X
Florida	121	53	44	44	11	13	D	$35,000 - $75,000	
Georgia	56	26	15	10	3	17	P	$36,000 - $70,000	
Hawaii	362	24	15	0	7	2	P	$37,464 - $85,416	X
Idaho	15	8	7	0	2	6	P	$34,860 - $90,376	
Illinois*	42	42	17	2	5	18	A	$41,000 - $54,000	
Indiana	32	20	12	2	1	9	P	$43,000 - $75,000	
Iowa	23	11	11	0	1	11	P	$53,456 - $108,555	X
Kansas*	14	14	9	0	2	3	A	$41,870 - $64,938	X
Kentucky	30	23	12	2	3	2	A	$35,000 - $78,000	X
Louisiana*	37	34	26	0	2	1	P	$37,523 - $100,069	X
Maine*	13	13	8	0	1	4	P	$47,000 - $76,000	X
Maryland*	316	35	24	3	2	6	P	$38,117 - $101,708	
Massachusetts	43	23	11	4	4	24	A		
Michigan*	175	37	23	0	9	143	P	$38,875 - $100,267	X
Minnesota*	298	30	12	4		14	P	$56,439 - $105,193	
Mississippi	406	7	6	88	27	278	P	$29,119 - $91,356	X
Missouri*	26	17	11	1	4	10	P	$46,464 - $65,363	X
Montana	17	17	12	0	2	3	P	$46,325 - $77,165	
Nebraska*	490	10	8	0	1	1	P	$49,263 - $95,915	X
Nevada*	23	17	15	1	3	2	P	$59,194 - $97,593	X
New Hampshire	317	9	6	0	2	1	P	$66,000 - $98,000	X
New Jersey*	132	41	24	8	13	87	P	$44,750 - $106,993	X
New Mexico	150	16	15	0	1	0	D	$39,520 - $65,000	X
New York	230	230	203	0	25	2	P	$40,000 - $145,000	X
North Carolina*	65	26	18	10	5	32	P	$40,552 - $91,746	
North Dakota*	131	5	4	1	2		P	$58,188 - $96,972	X
Ohio	226	24	21	15	1	186	P	$47,923 - $92,310	X
Oklahoma	1,400	13	8	2	1	2	A	$40,000 - $68,000	
Oregon*	44	24	13	5	4	20	P	$47,920 - $109,144	X
Pennsylvania*	73	46	28	0	3	15	P	$45,000 - $101,000	
Rhode Island*	25	16	12	0	2	11	P	$52,903 - $89,941	X
South Carolina	21	21	10	0	4	7	P	$47,092 - $87,125	X
South Dakota*	34	8	6	4	2	14	P	$45,377 - $69,080	
Tennessee	32	32	12	2	2	16	P	$46,620 - $102,000	
Texas	32	29	28	0	3	0	P	$50,000 - $109,000	
Utah	27	10	10	3	6	8	D	$45,011 - $100,090	
Vermont	30	10	6	0	1	23	A	$52,250 - $99,133	X
Virginia*	47	37	30	2	2	5	P	$32,000 - $155,000	
Washington	275	39	30	23	25	188	P	$61,000 - $103,000	
West Virginia	10	10	4	1	1	4	P	$28,080 - $42,984	X
Wisconsin*	1,004	32	19		4	9	P	$46,652 - $124,965	X
Wyoming*	7	6	5	0	0	0	P	$54,072 - $88,764	
District of Columbia	42	29	20	2	5	6	P	$69,030 - $111,612	X
Total	**7,951**	**1,461**	**1,015**	**286**	**227**	**1,517**			**27**

* See Notes to Table 4 on page 25. ** See "other" descriptions on page 25.

Codes D = At full discretion of the Governor/Cabinet Secretary or Department head P = Based on experience, within predefined salary range A = Predefined amount for analyst level O = Other

Table 4: Additional Details and Notes

“Other” Method to Determine State Budget Analyst Salary

Colorado	Salary is at the discretion of the office’s management, and is based on experience and scope of work.

Notes to Table 4

Alabama	Budget analysts include budget analysts (6.0) and Chief Budget Analyst (1.0). Other Staff includes the State Budget Officer.
Alaska	The department has budgeted $66,525 for a Budget Analyst III (Range 19 Step A) and $120,043 for a Chief Budget Analyst (Range 27 Step D). The salary schedules are somewhat flexible but the Office of Management and Budget Analysts all have salaries that lie in this range.
Colorado	The response to “Total personnel in budget function” line includes the office director and deputy director. These two positions are counted in the “other staff” line, however.
Connecticut	Budget analyst grades and associated salary ranges are: Budget Analyst, $62,229 - $84,842; Budget Specialist, $77,923 - $106,240; Principal Budget Specialist, $94,803 - $129,274; Fiscal and Program Policy Section Director, $115,352 - $157,284; Assistant Executive Budget Officer, $128,503 - $175,220; Executive Budget Officer, $138,791 - $189,516.
Delaware	Salary range represents minimum salary for an Associate Fiscal and Policy Analyst—Midpoint of a Senior Analyst.
Illinois	Salary range detail: Analyst I $41,000; Analyst II $46,000 - $49,000; Senior Budget Analyst $50,000 - $54,000
Kansas	Division of the Budget has a prescribed career ladder; those hired in with no experience begin as Budget Analyst 1, then progress to Budget Analyst 2, Senior Budget Analyst, then Principal Budget Analyst as they acquire experience, demonstrate their knowledge and skills and assume greater responsibilities.
Louisiana	The one “other staff” position is the state economist.
Maine	Other staff includes the State Budget Officer, Deputy State Budget Officer, Position Control Analyst and Position Control Analyst Assistant. Salary range detail: Budget Analyst $47-65k; Senior Budget Analyst $55-76k
Maryland	Budget function personnel—25 in Office of Budget Analysis (operating) and 10 in Office of Capital Budget. Salary range detail: $38,117 - $89,320 analysts; $55,630 - $101,708 supervisory analysts

Notes to Table 4 (continued)

Michigan The State Budget Director oversees employees that provide statewide support for budget development and implementation, accounting functions, payroll functions, the state's financial management system, management of performance data of Michigan public schools and students, and the state's internal audit functions. Reorganization of functions in 2007 transferred responsibility for all accounting and internal audit functions from state agencies to the State Budget Office by order of the governor. Of the total employees in the State Budget Office, 37 are directly involved in preparation and presentation of the executive budget, including 23 budget analyst positions.

Minnesota In 2014, there were 298 full-time equivalents (FTEs) in Minnesota Management and Budget, 30 in the Budget Services Division (excluding accounting and payroll systems). The Budget Services Division is managed by the budget director and consists of three units. Budget Planning and Analysis consists of 12 executive budget officers/analysts and 3 team leaders. Budget Operations and Planning consists of 2 directors, one manager, 6 professional staff/analysts/project managers and 4 technology systems and database support staff. The Results Management Initiative had one coordinator. The FY 2014 salary range for budget analysts includes 3 positions (Executive Budget Officer Trainee, Executive Budget Officer, Executive Budget Officer Senior).

Missouri Other staff number includes the State Budget Director, two assistant directors, three section managers, an economist, demographer, legislative coordinator, and accounting analyst. The salary range reflects current, actual staff salaries—the pay ranges for these positions are actually broader in the minimum and maximum salary (three ranges exist—Budget & Planning Analyst I, II and Senior).

Nebraska The Deputy State Budget Administrator has agency assignments (in addition to management responsibilities) so is counted as a budget analyst for purposes of Table 4.

Nevada Budget analysts in the Budget Division could have salaries between $59,194.80 - $97,593.12, depending on merit steps earned and whether the analyst's position is a Budget Analyst 5 (team lead) or Budget Analyst 4. Other state agencies employ staff in the budget analyst class code, generally as budget analysts 1, 2, or 3, with lower salary ranges. Budget employs one budget analyst in the unclassified service, whose maximum salary is $88,952. All salaries were reduced in FY 14 by 48 hours of furlough. Budget analysts earn overtime pay in the fall of odd-numbered fiscal years while preparing the Governor's recommended budget. Budget director is also the director of the Department of Administration, and Budget is also the department Director's Office. Total personnel count includes a few staff who serve both Budget and the department.

New Jersey Number of other staff includes OMB Director's Office, unit managers and staff in the accounting, payroll, and financial reporting bureaus. Analyst salary range includes first-level supervisors.

North Dakota Computer staff person is shared with all divisions of OMB.

Oregon The data reported here includes all of the Office of the Chief Financial Officer. Other staff includes Capital Investment, Facility Planning, Procurement Policy, and the Statewide Accounting Reporting Section staff.

Notes to Table 4 (continued)

Pennsylvania	Total agency positions (618) include Comptroller Operations (509), Administrative Services (36), and Budget Office (73). Budget Office positions include the Secretary's office as well as staff in the Bureaus for Budget Analysis, Budget Administration, Legislative Affairs, Legal, and Revenue, Capital & Debt. Over an 18-month period during 2008 and 2009, the Office of the Budget consolidated six distinct comptroller organizations into one centralized Comptroller Operations for accounting, auditing, financial management, payables, quality assurance, and other key roles. This restructuring reduced the number of Comptroller Operations staff by 124 positions.
Rhode Island	Personnel counts include all of the Office of Management and Budget. This Office is assigned one technology staff member, but the position is not part of the OMB/Budget Office roster. Other staff includes management of the OMB/Budget Office, Performance Management, Federal Grants, Regulatory Reform and Strategic Planning. Salary range detail: $52,903 - $59,728 for entry level up to $79,366 - $89,941 for supervisory positions.
South Dakota	Some positions serve in dual functions. As an example, the economist does analyst work.
Virginia	There are 4 salary ranges for analyst. They range from a low of $32,000 to a high of $155,000. PP1 $31,979 - $70,801. PP2 $41,778 - $91896. PP3 $54,580 - $119,455 and Associate Directors $71-305 - $155,463.
Wisconsin	Other staff includes Director, Deputy Director and six Team Leaders.
Wyoming	Salary range includes Budget Analysts and Senior Budget Analysts.

Table 5: Location of Executive Budget Agency

State	Freestanding Budget Agency	Governor's Office	Budget Agency within Finance Department	Budget Agency within Management/ Administration Department
Alabama			X	
Alaska		X		
Arizona		X		
Arkansas*			X	X
California*	X			
Colorado		X		
Connecticut	X			
Delaware*				X
Florida		X		
Georgia		X		
Hawaii			X	
Idaho		X		
Illinois	X			
Indiana*				X
Iowa*	X			
Kansas*				X
Kentucky	X			
Louisiana*				X
Maine*			X	
Maryland				X
Massachusetts			X	X
Michigan*	X			X
Minnesota*			X	
Mississippi			X	
Missouri*				X
Montana		X		
Nebraska				X
Nevada*				X
New Hampshire*				X
New Jersey*			X	
New Mexico			X	
New York	X			
North Carolina		X		
North Dakota				X
Ohio	X			
Oklahoma				X
Oregon				X
Pennsylvania	X			
Rhode Island*				X
South Carolina				X
South Dakota			X	
Tennessee			X	X
Texas		X		
Utah		X		
Vermont			X	X
Virginia*	X			
Washington*	X			
West Virginia*	X			
Wisconsin				X
Wyoming				X
District of Columbia*			X	
Total	**12**	**10**	**12**	**21**

* See Notes to Table 5 on page 29.

Table 5: Additional Details and Notes

Notes to Table 5

Arkansas	Department of Finance and Administration
California	The Department of Finance is a free standing agency within the executive branch, which is headed by the Governor.
Delaware	The budget function resides within the Office of Management and Budget (OMB). OMB is part of the Executive Department.
Indiana	The Indiana State Budget Agency is under the authority of the Indiana Office of Management and Budget.
Iowa	The Iowa Department of Management is a freestanding budget agency that is closely associated with the Governor's Office. The Director of the Department is considered part of the Governor's staff.
Kansas	For administrative purposes, DOB is housed within the Department of Administration, but the Secretary of Administration does not supervise or oversee the Division. The Governor oversees the Division through his appointment as Director.
Louisiana	The Office of Planning and Budget is an office within the Division of Administration, which is a freestanding budget unit within the Executive Department.
Maine	Maine's Bureau of the Budget resides within the Department of Administrative and Financial Services.
Massachusetts	The "executive budget agency" is located within the Executive Office for Administration and Finance. The Executive Office is a cabinet level Office headed by the Secretary of Administration and Finance.
Michigan	The State Budget Office reports directly to the governor and is an autonomous agency within the Department of Technology, Management, and Budget by order of the Governor.
Minnesota	Minnesota Management & Budget (MMB) is responsible for managing state finances, payroll and human resources and provides systems for daily business operations and information access and analysis. MMB includes accounting services (financial reporting, payroll and accounting system), debt management, enterprise human resources, labor relations and employee insurance, budget services, economic analysis, internal controls and accountability, and management analysis and development. Internal divisions of MMB include legislation and communications, administration and fiscal services, business continuity and agency human resources.

Notes to Table 5 (continued)

Missouri	The budget office is a division of the Office of Administration.
Nevada	The budget director is also the director of the Department of Administration, which houses Budget and 12 other divisions.
New Hampshire	The Budget Office is a component unit of the Department of Administrative Services which performs the central payroll, accounting, financial reporting, public works, purchasing, property management, benefit and health plan administration, and personnel support functions for the State.
New Jersey	The Office of Management and Budget is a division within the Department of the Treasury.
Rhode Island	The Budget Office was moved under the newly created (in FY 2013 budget) Office of Management and Budget, which is a division in the Department of Administration.
Virginia	All finance agencies in the Commonwealth are organized under the Secretary of Finance, a cabinet officer, appointed by the Governor.
Washington	The Office of Financial Management was created within the Office of the Governor, but it acts like, and is treated as, a separate stand-alone state agency: RCW 43.41.050 Office of financial management created—Transfer of powers, duties, and functions. There is created in the office of the governor, the office of financial management which shall be composed of the present central budget agency and the state planning, program management, and population and research divisions of the present planning and community affairs agency. Any powers, duties and functions assigned to the central budget agency, or any state planning, program management, or population and research functions assigned to the present planning and community affairs agency by the 1969 legislature, shall be transferred to the office of financial management.
West Virginia	State Budget Office is under the Department of Revenue.
District of Columbia	Budget office is within the Office of the Chief Financial Officer, independent of the Mayor and Council.

Table 6: Economic Advisors and Revenue Estimates

State	Formal revenue-estimating group	Name of formal revenue estimating entity	Who prepares revenue estimates for executive budget	Source of authority for providing revenue estimates	Who revises revenue estimates
Alabama*			B	S,I	G,L
Alaska*	X	Office of Management and Budget, Department of Revenue, Department of Labor	R	S,AO	R
Arizona*			B,R,O**	I	B,R,O**
Arkansas*			B	S	G
California*	X	Department of Finance	B	CN	B
Colorado*	X	Legislative Council and the Office of State Planning and Budgeting	G,L	S	G,L
Connecticut*			B,O**	S	L
Delaware*	X	Delaware Economic and Financial Advisory Council	C	EO	C
Florida*	X	"Consensus estimating conference" is per chapter 216.133, F.S.	R,G,L	S	C
Georgia*			G,O**	CN	G,O**
Hawaii*	X	Council on Revenues	B,C	S,CN	B,C
Idaho			B	I	B
Illinois	X	Council of Economic Advisors (CEA)	R,O**	I	B,R,O**
Indiana	X	Revenue Forecast Technical Committee	B,C	I	B,C
Iowa	X	Revenue Estimating Conference	C	S	C
Kansas*	X	Consensus Revenue Estimating Group	B,R,L,O**	S	C
Kentucky*	X	Consensus Forecasting Group	C	S	C,L
Louisiana*	X	Revenue Estimating Conference	B,L	S	C
Maine*	X	Consensus Economic Forecasting Commission/Revenue Forecasting Committee	C	S	C
Maryland*	X	Board of Revenue Estimates, Consensus Revenue Monitoring and Forecasting Group	B,R,C,L,O**	S	B,R,C,L,O**
Massachusetts			B,R,L,O**	S	G,O**
Michigan*	X	Consensus Revenue Estimating Conference	B,R,O**	S	B,R,O**
Minnesota*	X	Minnesota Management and Budget	B	S	B
Mississippi	X	Revenue Estimating Committee	B,R,G,L,O**	S	B,R,G,L,O**
Missouri*			B,L,O**	S	B,G,L
Montana			B	I	L
Nebraska	X	Revenue Department, Legislative Fiscal Office, and Economic Forecasting Advisory Board	R,C,L	S	R,C,L
Nevada*	X	Economic Forum	C	S	C
New Hampshire			B,G	S	L
New Jersey*			B,R,G	CN	B,R,G
New Mexico			O**	I	O**
New York	X	New York State Division of the Budget	B	CN	B,L,O**
North Carolina	X	Office of State Budget and Management	B,G,L	S	B,G,L
North Dakota			B,R	S	B,R
Ohio			B,R	S	B,R,L
Oklahoma*	X	Board of Equalization	C	CN	B,C
Oregon	X	The Office of Economic Analysis within the Department of Administrative Services	O**	S,EO	L,O**
Pennsylvania*			B,R	S,CN	B,R
Rhode Island*	X	Consensus Revenue Estimating Conference	C	S	C
South Carolina*	X	Board of Economic Advisors	C	S	C
South Dakota*			B	EO	B,L
Tennessee	X	State Funding Board	B,O**	S	G
Texas			R	S	R
Utah			B,R,O**	I	B,R,O**
Vermont	X	Emergency Board	B,L	S	B,L
Virginia	X	Virginia Department of Taxation	B,R	S	R
Washington*	X	Economic and Revenue Forecast Council	B,R,C	S,I	C
West Virginia*			B,R,G	CN	B,R,G
Wisconsin	X	Department of Revenue	R	S	L
Wyoming	X	Consensus Revenue Estimating Group	O	I	O
District of Columbia*	X	Office of Revenue Analysis	R	S,CN	R
Total	**31**				

* See Notes to Table 6 on page 36. ** See "other" descriptions on page 33. *** For states with a consensus revenue forecast process, find details on page 34.

Codes B=Budget Agency R=Revenue Agency C=Board/Commission G=Governor L=Legislature O=Other S=Statutory
EO=Executive Order I=Informal CN=Constitutional AO=Administrative Order

Table 6: Economic Advisors and Revenue Estimates (continued)

State	Revenue Estimates binding on the governor's proposed budget	Binding on the enacted budget	Consensus revenue forecast process***	Statutory requirement to publish revenue estimates	Official revenue estimates released (List months)	Years projected beyond current budget cycle	Council of economic advisors
Alabama*				X	January - March	0	
Alaska*				X	April, December	10	
Arizona*	X			X	Negotiated and imbedded within the appropriations acts.	2	
Arkansas*	X	X		X	November 13th	2	
California*				X	January and May	3	
Colorado*				X	Quarterly: June 20, September 20, December 20, March 20	2	
Connecticut*	X	X	X	X	Monthly for executive budget agency's fiscal projections; November, January and April for consensus	3	
Delaware*			X	X	September, December, March, April, May, June	4	
Florida*	X		X	X	Fall/Winter/Summer	5	
Georgia*	X	X		X	January	5	X
Hawaii*				X	June, September, January, and March	6	X
Idaho					January, August	1	
Illinois	X			X	Typically in February with the Governor's Introduced Budget	3	X
Indiana	X	X	X	X	December of every year. April of every odd year.	2	
Iowa	X	X	X	X	October, December, March/April	1	
Kansas*	X	X	X	X	November and April	2	X
Kentucky*	X	X	X	X	December of each odd-numbered years and any time it has been requested to revise the estimates.	3	
Louisiana*	X	X		X	Various. No specific months.	4	
Maine*	X	X	X	X	March, December	2	X
Maryland*	X	X	X	X	December, March, and September	4	X
Massachusetts	X	X	X	X	Typically December but in January during a Gubernatorial transition.	1	X
Michigan*	X	X	X	X	January and May	4	X
Minnesota*	X	X		X	February, November	4	X
Mississippi	X	X		X	November, March/April	1	X
Missouri*			X	X	December or January	1	
Montana		X		X	November 15 of even numbered year	2	
Nebraska	X	X	X	X	Feb, Apr, Oct (odd)/Feb, Oct (even)	2	
Nevada*	X	X		X	December of even-numbered years and May of odd-numbered years.	2	
New Hampshire	X	X			July 1st of each year from the Biennial Budget. The biennium begins the odd numbered year.	1	
New Jersey*	X	X		X	February and May	1	X
New Mexico	X		X		August, and December	5	
New York	X	X	X	X	April/May, July/August, October/November, January, February, March	4	
North Carolina	X	X	X	X	Revenue estimate is provided before the Governors recommends the budget and after April of each yr.	3	
North Dakota	X	X	X	X	August and December of even numbered years and February of odd numbered years		
Ohio				X	When the Executive Budget is published (typically January or February), June	0	X
Oklahoma*	X	X	X	X	December, February & June	1	
Oregon	X	X		X	March, June, September and December	8	X
Pennsylvania*	X	X		X	May/June (Budget Enactment)	4	
Rhode Island*	X	X	X	X	November and May	1	X
South Carolina*	X	X	X	X	November, February	3	X
South Dakota*	X	X		X	December, March, July	1	X
Tennessee	X	X	X	X	Estimates established once a year and reported monthly.	0	X
Texas		X		X	January (odd years)	0	
Utah	X	X	X	X	Budget point forecast in December and February, updated range forecasts in June and October	1	X
Vermont			X	X	January, July	1	X
Virginia	X		X	X	December	6	X
Washington*	X	X		X	June, September, November, and February (in even-numbered years) and March (in odd-numbered years)	2	X
West Virginia*		X		X	January	4	
Wisconsin				X	November 20 (even)	0	
Wyoming			X		January and October	2	
District of Columbia*	X	X		X	February, June, September, December	3	
Total	**35**	**33**	**25**	**46**			**21**

* See Notes to Table 6 on page 36. ** See "other" descriptions on page 33. *** For states with a consensus revenue forecast process, find details on page 34.

Table 6: Additional Details and Notes

Revenue Estimates for Executive Budget Prepared by (“Other”)

Arizona	Contract with economic consultants from Arizona State University
Connecticut	A consensus forecast applies to current services; the budget agency estimates policy changes.
Georgia	State Economist appointed by the Governor
Illinois	Council of Economic Advisors (CEA)
Kansas	3 economists from the three state research universities and Legislative Research Department
Maryland	Treasurer, Transportation Department
Massachusetts	The Exec Office for Admin and Finance jointly develop tax revenue forecast with Legislature.
Michigan	Other principals of the Consensus Revenue Estimating Conference
Mississippi	University Research Center
Missouri	Professional from the University of Missouri Columbia
New Mexico	Consensus Forecasting Group
Oregon	The Office of Economic Analysis within the Department of Administrative Services
Tennessee	University of Tennessee Center of Business and Economic Research
Utah	Consensus process with governor’s and legislature’s budget staff and Tax Commission staff

Revised Revenue Estimates Prepared by (“Other”)

Arizona	Budget office revisions are made in consultation with the Revenue agency and the ASU consultants
Georgia	State Economist appointed by the Governor
Illinois	CEA
Maryland	Treasurer, Transportation Department
Massachusetts	Under MA law the Sec. of Admin and Finance has the power to revise revenue estimates.
Michigan	Other principals of the Consensus Revenue Estimating Conference
Mississippi	University Research Center
New Mexico	Consensus Forecasting Group

Revised Revenue Estimates Prepared by (“Other”) (continued)

New York	If no consensus between Governor and Legislature, then Comptroller is to issue revenue forecast.
Oregon	Legislative revisions are only to the extent they make policy changes.
Utah	Consensus process with governor’s and legislature’s budget staff and Tax Commission staff

Description of Consensus Revenue Forecast Process

Connecticut The executive budget agency and the legislature’s fiscal office must develop a consensus revenue estimate three times annually: November, January and April. In the event that a consensus cannot be reached, the State Comptroller is authorized to issue a forecast equal to or between the estimates issued by the executive and legislative agencies’ estimates.

Delaware The Delaware Economic and Financial Advisory Council (DEFAC), established by Executive Order, provides state revenue and expenditure projections six times per fiscal year. DEFAC is comprised of representatives of the legislature, cabinet, academia and the private sector.

Florida Conference process explained here: http://edr.state.fl.us/content/conferences/index.cfm

Indiana The legislative/executive group known as the Revenue Technical Forecast Committee produces a consensus forecast. The committee consists of a staff member from the executive branch, a member representing each of the 4 legislative caucuses, and a tax economist from a state public university.

Iowa The Revenue Estimating Conference is made up of a designee of the Governor, the Director of the Legislative Services Agency and a third member agreed upon by the other two. The Conference is to establish the General Fund revenue estimate that is used by both the Governor in his budget recommendations and the Legislature in their enacted budget.

Kansas The consensus group meets formally twice a year (November and April) from which a memo is prepared outlining the group’s forecast. At the end of the legislative session, the April estimate is updated for any enacted legislation that is projected to affect State General Fund revenues.

Kentucky Statute places revenue forecast responsibility on the Consensus Forecasting Group.

Maryland The Consensus Revenue Monitoring and Forecasting Group meets monthly to review and analyze revenue attainment. The group, whose representation is noted above, is also responsible for the development of consensus forecasts three times a year that are provided to the Board of Revenue Estimates.

Massachusetts An annual “consensus revenue hearing” is held and chaired by the Secretary for Administration and Finance and respective Chairs of the House and Senate Ways and Means Committees. They hear testimony from the Massachusetts Department of Revenue, noted economists and budget experts regarding the current and future economic climate as well as tax revenue estimates for the current and upcoming fiscal year.

Michigan Under state law, a revenue estimating conference is held the second week of January and the third week in May of each year, or upon a request of a principal. Principals of the conference are the State Budget Director or the State Treasurer, and the directors of the Senate Fiscal and House Fiscal agencies or their respective designees. The conference is required to make forecasts of major national and state economic variables, anticipated state revenues, and public

	school pupil estimates. Economic and revenue forecasts include the fiscal year in which the conference is held and the next 2 ensuing fiscal years. Trend line projections are required for the next 2 ensuing fiscal years. The May conference is required to established expenditure forecasts for Medicaid and human services caseload expenditures for the fiscal year in which the conference is held and the next 2 ensuing fiscal years. National and state economists are invited to present their forecasts during the conference; the "official" forecast is determined by the principles.
Missouri	The Governor is statutorily required to include a revenue estimate in his/her budget recommendation. Staff from the budget office, the House of Representatives, the Senate and a professor from the flagship state university meet to develop a staff-level consensus revenue estimate. The Governor, House and Senate leaders decide whether or not to accept staff recommendations and agree to a consensus revenue estimate.
Nebraska	The Revenue Department and the Legislature's Fiscal Office provide revenue estimates to the Nebraska Economic Forecasting Advisory Board based on econometric data. The Board establishes a forecast of revenue using these estimates that is used by both the Governor and Legislature.
New Mexico	The Chief Economists from the Dept. of Finance, Tax and Revenue, Legislative Finance Committee and Dept. of Transportation meet semi-annually to estimate the General Fund
New York	If the Governor and the Legislature fail to reach consensus, the Comptroller is required to issue a binding revenue forecast.
North Carolina	The consensus revenue forecasting process in North Carolina is a long-standing, informal process in which the Office of State Budget and Management and Fiscal Research Division of the General Assembly develop official revenue forecasts.
North Dakota	The Advisory Council on Revenue Forecasting is comprised of representatives of the major industries in the state as well as legislative and executive branch officials. They meet to review the assumptions of changes in all major tax types.
Oklahoma	The Board of Equalization is made up of 6 statewide elected officials and one cabinet secretary.
Rhode Island	The Revenue Estimating Conference is comprised of the State Budget Office, the House Fiscal Advisor and the Senate Fiscal Advisor. This body meets at least twice per year in November and May to develop estimates to be used by the Governor (November estimates) and the Legislature (May estimates). Both the Governor and the Legislature may propose/enact changes to statutes that would increase or decrease revenues, but otherwise are required to use the estimates as determined by the Revenue Estimating Conference.
South Carolina	The BEA consists of 3 voting members and the Director of the Department of Revenue who serves ex officio. The Governor and the Chairmen of the Senate Finance and House Ways & Means Committees each appoint one member, with the Governor's appointee serving as its Chairman.
Tennessee	The State Funding Board votes on revenue growth ranges after they hear presentations on the State's economic outlook.
Utah	Consensus group includes the Governor's Office, Legislative Office, and Utah State Tax Commission

Vermont The Executive and Legislative Branches' economists establish a consensus revenue estimate. The consensus revenue estimate is presented and adopted by the Emergency Board in January and July. The Emergency Board is chaired by the Governor and is comprised of the Chairs of the legislative money committees.

Virginia The Commonwealth has a formal revenue estimating group 'Joint Advisory Board of Economists' (JABE) staffed by professionals the Dept. of Taxation and the staff directors of the Senate Finance Committee and the House Appropriations Committee whose recommendations are reviewed and/or adjusted by Governor's Advisory Council on Revenue Estimates (GACRE).

Notes to Table 6

Alabama Revenue estimates are made public with the release of the Governor's Recommended Budget. These dates vary whereas the first year of the term, they are released in March; the second and third years of the term, they are released in February; and the fourth year of the term, they are released in January.

Alaska Alaska has Statutory budget requirements—Alaska Statute AS 37.07.020(c) The source of authority for providing revenue estimates for the executive budget reside in AS 37.07.060(b)(4) and Administrative Order No. 27

Arizona The Governor and legislature develop independent revenue estimates, which are reconciled during budget negotiations.

Arkansas Revenue estimates are prepared by the Administrator of the Arkansas Department of Finance and Administration Office of Economic Analysis and Tax Research.

California The California Constitution provides the authority to provide revenue estimates to the Governor. However, the Governor exercises this authority through the Department of Finance.

Colorado Quarterly revenue estimates are prepared by both the Legislative Council (nonpartisan full-time economics staff) and by our office. These forecasts are presented to the Joint Budget Committee each quarter. The JBC is required to balance its budget to one of the two forecasts, and the choice of forecast is at the JBC's sole discretion.

Connecticut The January consensus revenue estimate must be used by the Governor in presenting his proposed budget. The consensus forecast forms the "current services" revenue baseline, which is then adjusted for policy-based revenue changes proposed by the Governor.

Delaware Per Delaware Code (Title 29, Section 6534 a), the Governor is required to submit to all members of the General Assembly and the Controller General an estimate of anticipated General Fund revenues by major categories for the current and next immediate fiscal year. Such report shall be made not later than the 25th day of September, December, March, April and May, and the 20th day of June. The official general fund revenue and expenditure estimates are established through a joint resolution, passed by both Houses of the Legislature and signed by the Governor prior to the enactment of appropriations.

Florida Section 216.135, Florida Statutes requires state agencies and the judicial branch to use official information developed by the consensus estimating conference. While the Legislative branch is not specifically required, in practice they do use such estimates.

Notes to Table 6 (continued)

Georgia The Governor appoints a State Economist to assist in creating revenue forecasts for the budget. The Governor's revenue estimate included with his proposed budget submitted to the General Assembly is binding for the legislature unless subsequently revised by the Governor. The Governor also appoints a Council of Economic Advisors independent of the State Economist to provide comparative revenue estimates and information on the economic forecast for the state.

Hawaii Statutes require that estimates "shall be considered"; differing revenue estimates by the governor or legislature may be used if "fact and reasons" are made public.

Kansas Beginning with November 2014, the consensus group will issue a forecast for an additional out year—they will revised FY 2015, and develop new estimates for both FY 2016 and FY 2017. This coincides with the change to all agencies changing to a biennial basis.

Kentucky The three-year revenue projections beyond the current budget cycle are done within a "planning estimate" by the Consensus Forecasting Group in August of each odd-numbered year.

Louisiana The Revenue Estimating Conference usually meets in December or January to set the revenue for the executive budget, again in April or May to update the revenue forecast during the legislative session, and then as necessary.

Maine The Consensus Economic Forecasting Commission consists of 5 members: two members appointed by the Governor; one member recommended for appointment to the Governor by the President of the Senate; one member recommended for appointment to the Governor by the Speaker of the House of Representatives; and one member appointed by the other members of the commission. The Revenue Forecasting Committee consists of 6 members: the State Budget Officer, the Associate Commissioner for Tax Policy, the State Economist, an economist on the faculty of the University of Maine System selected by the chancellor, the Director of the Office of Fiscal and Program Review and another member of the Legislature's nonpartisan staff familiar with revenue estimating issues appointed by the Legislative Council.

Maryland The Governor may propose additional revenues beyond those recommended by the Board of Revenue Estimates. These additional revenues are generally tied to proposed legislation or other actions to administratively increase revenues and must be detailed in the Governor's budget submission. Council of Economic Advisors—The Board of Revenue Estimates used to receive informal input from a Business Advisory Panel. This panel has not met since 2011.

Michigan The State Budget Director convenes a State Revenue Forecasting Advisory Council comprised of Business Leaders for Michigan members, representing major companies and corporations; the State Treasurer; the Senate Fiscal and House Fiscal agency directors; and various senior-level fiscal and economic staff. The Council is convened in advance of the statutorily-created Consensus Revenue Estimating Conference. Business leaders have the opportunity to share information on current business conditions (e.g., employment and compensation levels, investment plans, and general business activity) and receive general information of the state's economic outlook. The Council is not required by statute.

Minnesota Minnesota Management and Budget prepares five-year revenues estimates that are formally published in November and February each year (Minnesota Statutes 16A.103). The Governor's biennial budget submitted in each odd-numbered year included revenue estimates for the current fiscal year and the next two biennia, or four additional years. Economic updates are issued in January, April, July and October of each year. The Economic Analysis Division, under the direction of the State Economist, serves as the formal revenue estimating group for the state of Minnesota.

Missouri Consensus revenue forecasting with the legislature has been the practice most years since 1987, but is not required by statute. While the budget office revises the working revenue estimate, it is not usually considered the "official" estimate if a consensus was reached for that fiscal year. In some years, the budget office, Governor and legislature do revise the "official" estimate.

Nevada Economic Forum hears revenue forecasts from Legislative and Budget economists and major revenue collecting agencies before determining a General Fund revenue forecast. http://leg.state.nv.us/NRS/NRS-353.html#NRS353Sec226

New Jersey The Office of the Chief Economist, Office of Revenue and Economic Analysis, and Office of Management and Budget collaborate to provide revenue estimates. Official revenue estimates are made for both the current fiscal year and the budget fiscal year. The Governor formally certifies the revenue estimates per the New Jersey State Constitution.

Oklahoma Board of Equalization, with staff support from OMES, approves the revenue estimate for the Governor's Budget. Budget agency only revises estimates in a mid-year shortfall. Revenue estimates are binding on the Governor's budget and enacted. However, the Governor and Legislature can propose/enact increases/decreases of revenue. Under the Open Records/Meeting Act, revenue estimates are "published".

Pennsylvania The creation of the Independent Fiscal Office (IFO) in 2010 has provided an additional revenue estimate against which Department of Revenue estimates can be assessed. Since the IFO was established, the Department of Revenue estimates have remained the source of the commonwealth's official revenue estimate.

Rhode Island The Council of Economic Advisors was created during the most recent session of the General Assembly.

South Carolina 1st forecast is on/before November 10; 2nd forecast is on/before February 15. Additional revisions may be made after the February forecast if the BEA determines that economic conditions have changed.

South Dakota The first revenue estimate is coordinated with the release of the Governor's Recommended Budget for the upcoming fiscal year. Those estimates are then revised and adopted in March during legislative session. Finally, a third revenue estimate is performed in July to review revenue estimates as adopted in March.

Washington For the state's General Fund, the official revenue estimates for currently authorized revenues are done by the Economic and Revenue Forecast Council. For accounts not estimated by this body, revenue estimates are done by the administering agency and the budget agency.

West Virginia Revenue estimates are made in January except for year following gubernatorial election, then revenue estimates are made in February.

District of Columbia The Chief Financial Officer convenes panels of experts to advise on revenues and the economy, but there is no statutory council of economic advisors in the District of Columbia.

CHAPTER 2

Requirements, Authorities and Limitations

This chapter addresses gubernatorial authority in the budget process, including veto authority, as well as balanced budget requirements, limits on authorized debt and debt service, and tax and expenditure limitations.

Gubernatorial Budget & Veto Authority (Tables 7-8)

The extent of a governor's authority in the budget process varies among states as outlined in Table 7. The budget office provides state agencies with funding level request targets in 34 states. Meanwhile, in 31 states, the executive branch can spend unanticipated funds without legislative approval, such as from a federal grant or legal settlement funds. However, in most of these states, there are some restrictions on this authority. In the footnotes following Table 7, a number of states also provided explanations of the process used to obtain legislative approval to spend unanticipated funds, which vary considerably by state.

In a majority of states (33), the executive branch can withhold appropriations from agencies within the executive branch, effectively reducing the enacted budget. In addition, the executive branch in nine states can also withhold appropriations from the legislative and judicial branches. Following Table 7 are state-specific descriptions of mechanisms used by the executive branch to withhold appropriations and restrictions around this authority. Oftentimes, the governor can withhold appropriations only in instances when reduced revenues require adjustments to balance the budget.

Gubernatorial veto authority is outlined in Table 8. In 41 states, the governor has **line item veto** authority. Additionally, in 37 states, the governor has **item veto** authority of appropriations amounts and in 24 states the governor has item veto power of appropriations language. In most states, a two-thirds vote in the legislature is required to override the governor's veto. All governors have the authority to veto whole legislative bills. However, as explained in a footnote to Table 8, Maryland's governor has no veto authority over the operating budget bill, as it becomes law immediately after it has been passed by both houses of the General Assembly without further action by the governor. This provision was included as a check on the governor's budget authority, since the Maryland constitution contains a provision that limits the legislature to only striking or reducing an appropriation recommended by the Governor.

Balanced Budget Requirements (Table 9)

As shown in Table 9, the vast majority of states (46 states) reported having a constitutional or statutory balanced budget requirement. The governor is required to submit a balanced budget in 44 states, the legislature is required to enact a balanced budget in 41 states, and the budget signed by the governor is required to be balanced in 40 states. Eleven states indicated that they are permitted to carry over a budget deficit in certain circumstances, which are further explained in notes following the table. For the four states that did not report having such a balanced budget requirement, their descriptions regarding requirements around carrying over a deficit and additional footnotes that follow Table 9 explain the restrictions on them that effectively lead to a balanced budget. For example, Arizona and Indiana explain the role that legal borrowing limitations play in their states. In Virginia, the governor is required to make sure that actual expenditures do not exceed actual revenues by the end of the appropriation period, as the state is not allowed to carry over a deficit. Finally, in Vermont, while there is no legal requirement for the state to have a balanced budget, a deficit has not been carried over in practice.

Debt Limits (Table 10)

State debt is typically issued in order to finance capital projects and other expenditures that will serve to benefit taxpayers over a long period of time. Table 10 describes policies that states have in place to limit levels of authorized debt and debt service. Forty states have policies to limit total outstanding authorized debt, which vary considerably in how they are structured. Twenty-eight states have policies to limit debt service, and in many cases these limitations are tied to state revenues.

Tax and Expenditure Limitations (Table 11)

Tax and expenditure limitations (TELs) restrict the overall level or growth rate of government revenues or spending. As shown in Table 11, 28 states have at least one TEL, which may be constitutional or statutory. Among these, nine have TELs that were created by a ballot initiative. Many of these limitations are tied to growth in state personal income, population and/or inflation. In addition to TELs, a number of states require a supermajority vote in the legislature to pass a tax or revenue increase.

Figure 4: Balanced Budget Requirements

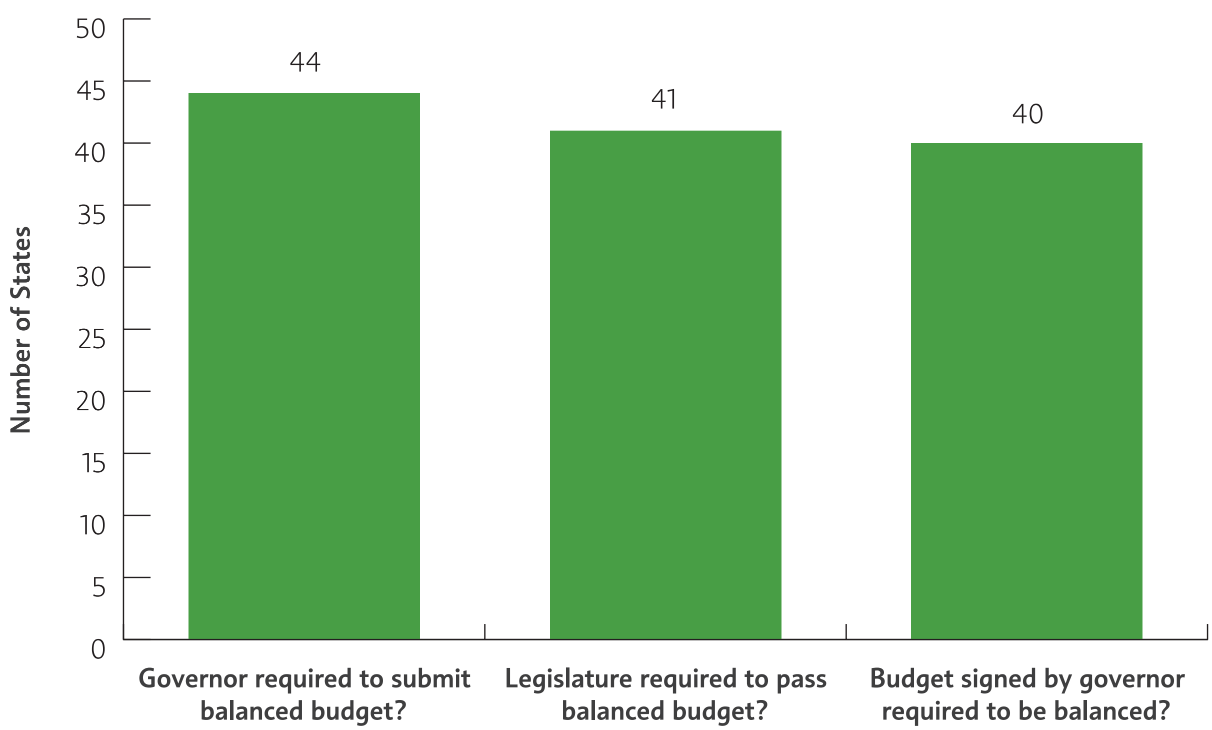


Table 7: Gubernatorial Budget Authority and Responsibility

State	Give agencies funding level request targets	Spend unanticipated funds w/o legislative approval**	If yes, are there restrictions?	Executive branch can withhold appropriations from:***		
				Executive branch agencies	Legislative branch	Judicial branch
Alabama		X	X	X	X	X
Alaska	X					
Arizona						
Arkansas*		X	X	X		
California*		X		X		
Colorado	X	X	X	X		
Connecticut		X		X	X	X
Delaware	X	X	X			
Florida		X	X			
Georgia	X	X		X		
Hawaii*	X	X		X		
Idaho*		X	X	X		
Illinois	X					
Indiana	X	X	X	X	X	X
Iowa				X		
Kansas*	X	X		X		
Kentucky						
Louisiana*	X			X		
Maine	X	X	X	X		
Maryland	X	X	X	X		
Massachusetts	X			X		
Michigan*	X					
Minnesota	X			X	X	X
Mississippi		X		X	X	X
Missouri*				X	X	X
Montana	X	X	X	X		
Nebraska						
Nevada*	X			X		
New Hampshire	X	X	X			
New Jersey*	X	X	X	X		
New Mexico	X	X				
New York	X	X	X	X		
North Carolina	X	X	X			
North Dakota	X	X	X	X	X	X
Ohio*	X	X	X			
Oklahoma						
Oregon*	X			X		
Pennsylvania	X	X	X	X		
Rhode Island	X			X		
South Carolina	X			X	X	X
South Dakota						
Tennessee	X			X		
Texas	X					
Utah	X	X	X			
Vermont	X	X	X	X		
Virginia	X	X	X	X	X	X
Washington		X	X	X		
West Virginia	X	X	X	X		
Wisconsin	X	X	X	X		
Wyoming		X	X			
District of Columbia*	X					
Totals	**34**	**31**	**24**	**33**	**9**	**9**

* See Notes to Table 7 on page 47.
** See explanations of how legislative approval is obtained for unanticipated funds on page 42.
*** See descriptions of mechanisms available to withhold appropriations on page 44.

Table 7: Additional Details and Notes

Process to Obtain Legislative Approval of Unanticipated Funds

Alabama	There is language in the annual appropriation bill allowing agencies the ability to spend unanticipated federal funds. There is no authority, however, to allow the expenditure of unanticipated legal settlement funds.
Alaska	Only in extreme circumstances such as disasters can the Governor spend beyond what is appropriated. In this case it must be identified in statute as a power of the office.
Arizona	Federal funds are outside the scope of the legislature. Many state funds have been established by the legislature to be continuously appropriated, whatever money is available in the fund is expendable by an agency.
Arkansas	In the event of a Miscellaneous Federal Grant or MFG, the appropriation of funds will be reviewed and/or approved by the subcommittee on Performance Evaluation and Expenditure Review (PEER). PEER subcommittee meetings are generally held on a monthly basis.
Colorado	Grant funds determined to be “custodial” in nature are not subject to legislative appropriation. This encompasses most federal grants and some private grants. If the enabling statutes for executive departments do not allow for the acceptance and expenditure of custodial funds, however, they must go through the regular and/or supplemental budget processes to receive legal authority to expend unanticipated funds.
Delaware	All applications for the expenditure of federal funds must be approved through the Delaware State Clearinghouse Committee, comprised of legislative and executive branch representatives.
Georgia	The executive branch can only authorize the expenditure of unanticipated funds that are received directly by state agencies. Unanticipated funds deposited into the state’s General Fund can only be spent if authorized through an appropriation act. Otherwise, these funds are lapsed to the Revenue Shortfall Reserve at fiscal year-end.
Idaho	Must be non-state funds that were not anticipated when the budget was set by the legislature.
Illinois	Seek supplemental appropriation authority from the legislature.
Indiana	Authority is granted to augment many non-GF appropriations based upon the amount of available revenue.
Iowa	For each fiscal year, the legislature as part of their budget process, passes language which allows each state department to spend unanticipated federal funds, grants, and other applicable funds for the purposes for which they were received.

Process to Obtain Legislative Approval of Unanticipated Funds (continued)

Kentucky	Kentucky has a statute that permits the Executive branch to increase the appropriation from unanticipated Federal and Restricted Funds within certain procedures.
Louisiana	The unanticipated funds have to be both recognized as revenue and then appropriated. The Revenue Estimating Conference (REC) has to recognize this revenue, then the appropriation must be approved by both the Commissioner of Administration and the Joint Legislative Committee on the Budget (JLCB). REC meets periodically and as needed. JLCB meets monthly.
Maine	Increases in Other Special Revenue Funds accounts, internal service fund accounts and enterprise funds, except the State Lottery Fund and Dirigo Health Fund, may occur if failure to approve would have a detrimental impact on current programs, and if the funds are expended in accordance with current statute. The expenditure of unanticipated federal funds may be authorized for a period not to exceed 12 calendar months unless such federal funds are approved by the Legislature.
Maryland	The legislative branch has the ability to review and comment when the executive branch is proposing to increase special, federal or higher education funds in excess of $100,000. This ability to review and comment also applies to certain reimbursable funds between agencies.
Minnesota	In Minnesota, Minnesota Management and Budget requests (on behalf of agencies) authority to spend unanticipated federal funds to the Legislative Advisory Council which is made up of House and Senate members.
Montana	Statutory guidelines exist for the conditions and certifications related to the appropriation and expenditure of unanticipated federal or private funds.
Nevada	Nevada's biennial Legislature generally goes 20 months between sessions. In the interim between sessions, Budget forwards requests to spend unanticipated funds to Legislative fiscal staff, and decisions are made periodically when the Legislative money committees meet jointly as the Interim Finance Committee.
New Hampshire	Requests for authorization of additional spending resulting from unanticipated availability of funding may be made for amounts under $100,000 to the Governor and Executive Council and for all amounts above that level to the Joint Fiscal Committee of the General Court and the Governor and Executive Council.
New Jersey	Generally, the Executive must ask the Legislature to enact supplemental appropriations or to approve transfers of excess budget authority from other appropriations when federal grants exceed the original appropriation. Unanticipated non-federal receipts are appropriated for their designated purpose once collected; however, the Executive may also ask the Legislature to provide budget authority based on an estimate of those receipts before they are collected.
North Carolina	The Governor may spend unanticipated funds up to 3 percent of the certified budget without legislative approval. If the over expenditure would cause a department's total requirements for a fund to exceed the department's certified budget for a fiscal year for that fund by more than three percent (3%), the Director shall consult with the Joint Legislative Commission on Governmental Operations prior to authorizing the over expenditure.
North Dakota	The Emergency Commission (comprised of the Governor, Secretary of State, Chairs of the House and Senate Appropriation Committees, and majority leaders in the House and Senate) can authorize spending of unanticipated federal and special funds without legislative approval.

Process to Obtain Legislative Approval of Unanticipated Funds (continued)

Oregon	The Executive Branch can make a request to the Legislature, when in full session, or the Legislative Emergency Board to increase expenditure authority during the interim between sessions.
Pennsylvania	The Governor may spend federal funds without legislative approval for natural disasters, civil disobedience, or in an emergency to avoid substantial human suffering.
Rhode Island	Most changes in spending authority would be accomplished through the annual legislative process. However, there is a statutory provision that allows the Governor, the Speaker of the House and the Senate President to approve increases in non-general revenue expenditures (i.e. federal grants or restricted receipts) outside of the legislative budget process.
Utah	Certain restricted funds or dedicated credits (certain types of fee revenue) may be expended up 25% above the authorized amount. Federal funds are subject to differing levels of approval, depending on the dollar amount. Federal funds approval may occur during a legislative session ($10 million or more), at monthly legislative Executive Appropriations Committee ($1 million to $10 million), or by the Governor or Governor's designee, with reporting to the Legislature (under $1 million).
Vermont	The executive branch can accept a donation or a grant with the approval of the Secretary of Administration, the Governor, and the Legislative Joint Fiscal Committee (a committee that consists of the Chairs of the money committees and three legislators from each legislative body with at least one from each body that represent each major political party).
Virginia	The Governor can spend unanticipated non-general funds (fees and federal funds) without legislative approval. The Governor cannot reduce appropriations without legislative approval, but can withhold allotments. Budget reductions without legislative approval are limited to a maximum reduction of not more than a cumulative 15 percent.
West Virginia	Agencies may only request increases for programs already in place and not for new programs. A letter of explanation is submitted to the Legislature for review (for 2 weeks) for those currently established programs needing increases.
Wisconsin	Unanticipated funds can be spent without legislative approval in limited situations.
Wyoming	Restrictions on budget reductions without legislative approval: 10 percent of the total for programs, 5 percent of the total for agencies.
District of Columbia	The Mayor sends a supplemental budget request to the Council, which marks it up and approves it. Upon Mayor's signature, the supplemental budget must go to Congress, either for notification or for actual approval, depending on the nature of the supplemental.

Mechanisms to Withhold Appropriations

Alabama	The Governor has the ability to reduce the enacted budget without legislative approval if revenues are not anticipated to be sufficient to fund the enacted budget. This process is called "proration".
Arizona	The Governor cannot withhold appropriations from any agency, other than the Governor's Office.
California	The Governor can give an Executive Order to reduce, but not eliminate, budget authority.

Mechanisms to Withhold Appropriations (continued)

Colorado	The Executive Branch agencies that are overseen by the Governor (e.g., excluding elected officials such as the Treasurer, or Secretary of State) can have their funding lowered based on executive order pursuant to specific statutory criteria during certain revenue reductions.
Connecticut	Budgeted non-specific reductions, called "holdbacks," are often designated by branch of government, and implementing legislation typically details how the Office of Policy and Management is to apply those reductions. The Governor also has rescission authority up to 5% of any appropriation, not to exceed 3% of any fund and not applicable to municipal aid. The Governor may not unilaterally decide which appropriations are subject to rescission in the Legislative and Judicial branches of government; the Governor may propose an aggregate allotment reduction for each branch, and the leaders of those branches decide which specific appropriations are to be reduced.
Florida	Section 216.195 F.S., prohibits impoundment of funds by any branch of government except as necessary to avoid or eliminate a deficit pursuant to the provisions of s.216.221.
Georgia	The Office of Planning and Budget can withhold allotments to state agencies in order to meet reduced revenues if revenue performance fails to meet anticipated targets. This can be done either in anticipation of recommending budget reductions to the General Assembly or following the legislative session and enactment of the budget if revenues are less than anticipated.
Idaho	Executive Order. Any reduction is temporary. Only the Board of Examiners (Governor, Attorney General, and Secretary of State) and legislature can make a permanent change to appropriation.
Indiana	The budget director has the authority to withhold allotments of appropriations.
Iowa	The Governor can withhold appropriations only when it is determined that there is estimated to be not enough revenues coming into a fund to satisfy the appropriations. The Governor has the authority to enact an across-the-board reduction in appropriations to bring the fund back into balance.
Kansas	In specific situations outlined in statute, the Director of the Budget can notify the Governor of a projected SGF deficit, in which case targeted allotments can be imposed, or a projected ending balance < $100 M, in which case an across the board rescission is enacted for the executive branch.
Maine	Whenever it appears to the Commissioner of Administrative and Financial Services that the anticipated income and other available funds of the State will not be sufficient to meet the expenditures authorized by the Legislature, the Governor may temporarily curtail allotments equitably so that expenditures will not exceed the anticipated income and other available funds. No allotment may be terminated. Any curtailment of allotments must, insofar as practicable, be made consistent with the intent of the Legislature in authorizing these expenditures.
Maryland	The Secretary of Budget and Management has the authority to establish an allotment schedule, including the establishment of contingency reserve.
Massachusetts	Under Section 9C of Chapter 29 of the General Laws, the Governor is required to reduce allotments, to the extent lawfully permitted to do so, or submit proposals to the Legislature to raise additional revenues or to make appropriations from the Stabilization Fund to cover such deficiencies. The Supreme Judicial Court has ruled that, under current law, the Governor's authority to reduce allotments of appropriated funds extends only to appropriations of funds to state agencies under the Governor's control.

Minnesota	Unallotment procedures in state statute (M.S. 16A.152) allows the Commissioner of Minnesota Management and Budget to reduce allotments (spending) if there is a projected deficit in any state fund.
Mississippi	§ 27-104-13. (1) The State Fiscal Officer may disapprove or reduce and revise the estimates of general funds and state-source special funds for any general fund or special fund agency and for the "administration and other expenses" budget of the Mississippi Department of Transportation, in an amount not to exceed five percent (5%), if at any time he finds that funds will not be available within the period for which the budget is drawn, or if at any time he finds that the requested expenditures, or any part thereof, are not authorized by law, and that action shall be reported to the Legislative Budget Office. The State Fiscal Officer may, upon his determination of need based upon a finding that funds will not be available within the period for which the budget is drawn, transfer funds as provided in Section 27-103-203, from the Working Cash-Stabilization Reserve Fund to the General Fund to supplement the general fund revenue. If the estimates of general funds and state-source special funds of all general fund and special fund agencies and of the "administration and other expenses" budget of the Mississippi Department of Transportation have been reduced by five percent (5%), additional reductions may be made, but shall consist of a uniform percentage reduction of general funds and state-source special funds to all general fund and special fund agencies and to the "administration and other expenses" budget of the Mississippi Department of Transportation.
Missouri	The Governor may control the rate of expenditures and may reduce expenditures when actual revenues are below the estimates upon which they are based.
Montana	A trigger mechanism exists in statute for budget reductions. There are statutory exemptions from the reductions, but the Executive Branch typically would ask for voluntary reductions from those who are exempt if the need for reductions were to arise.
Nevada	Governor's decision, often communicated to agencies by Budget.
New Hampshire	Budget reductions require approval of the Joint Fiscal Committee of the General Court.
New Jersey	Only the Legislature can de-appropriate funds for executive agencies, but the Governor can limit an enacted budget without legislative approval through lapsing unspent funds at year-end. In addition, the Governor has statutory authority to impound funds, as long as no legislative goals are ignored.
North Dakota	If revenues fall below forecast, the Governor can administratively reduce spending from the fund. Reductions must be across the board.
Oklahoma	The executive branch can only withhold appropriations in the case of an over-appropriation or shortfall. But, in those instances, they can withhold from all branches of government.
Oregon	The Department of Administrative Services can reduce allotments under certain circumstances such as revenue shortfalls.
Pennsylvania	The Governor may reduce budgets selectively; he or she must provide the General Assembly with a 10 day notice of reduction to grants and subsidies. The Governor has the authority to abate appropriations by establishing budgetary reserves on appropriations.

Mechanisms to Withhold Appropriations (continued)

Rhode Island	The Governor does not technically have the authority to withhold appropriations; however, the State Budget Officer is authorized to establish allotments based on the budgeted appropriations. This mechanism can be used to delay the authority to spend appropriated funds to provide time to submit changes to appropriations to the Legislature.
South Carolina	The Budget & Control Board can authorize across-the-board agency reductions upon notification by BEA of projected revenue shortfall. When in session, the General Assembly has 5 statewide session days to take action to prevent the reduction.
Tennessee	The Budget Office has statutory authority to establish an allotment reserve and agencies are to defer and reduce expenses accordingly as permitted by law.
Vermont	If the General Assembly is in session, the legislative process is used to update appropriations to align with the most recent revenue forecast. If the General Assembly is not in session, the Executive Branch may take action to reduce appropriations as outlined in 32 V.S.A. § 704. The magnitude of a revenue downgrade triggers specific allowable actions by the Executive Branch and the necessary Legislative approvals.
Virginia	The specific provisions that guide the executive branch are contained within the appropriations act, setting forth specific reporting requirements and conditions on agency apportionment of any cuts among agency grantees and other entities. §4-1.02d.6 Reduced general fund resources.
West Virginia	The State Budget Director has the power to set aside appropriations in a reserve if necessary.
Wisconsin	GPR operating budgets of Executive Branch agencies can be reduced without legislative approval.

Notes to Table 7

Arkansas	If an agency's appropriation level exceeds its funding level, a hold or "block" is placed on the excess appropriation in the states accounting system. This can be changed if funding later becomes available.
California	The Administration has the authority to spend unanticipated funds from federal and other non-state sources. There are certain reporting requirements.
Hawaii	Unanticipated federal and trust funds, and certain special and revolving funds may be expended without legislative authorization, as provided by law.
Idaho	Any holdbacks applied to the legislative or judicial branch require permission by those branches in writing.
Kansas	Division of the Budget issues allocations in the summer to state agencies with SGF or specific other state funds to limit their base budget request. Agencies use that to build their base budget request. The Governor has authority under appropriation language to sign executive directives that authorize agencies to spend federal grants not accounted for in the budget process.
Louisiana	The funding level targets are as needed and not a part of the official budget request submissions.
Michigan	There are both constitutional and statutory restrictions on executive branch authority to make reductions, involving approval by both Senate and House Appropriations Committees.

Notes to Table 7 (continued)

Missouri	The legislature designates some appropriations as "estimated"; those appropriations may be increased by the Commissioner of Administration without further legislative authorization. Also, the legislature may approve appropriations that allow for spending unanticipated federal funds. Except for appropriations that stand appropriated, no funds may be paid from the state treasury without an appropriation.
Nevada	Interim Finance Committee http://leg.state.nv.us/Interim/77th2013/Committee/Interim/IFC/?ID=1
New Jersey	Under certain conditions specified in the annual Appropriations Act, the OMB Director can, without further legislative approval, enact supplemental appropriations or approve transfers of excess budget authority from other appropriations when federal grants exceed the original appropriation.
Ohio	Ohio law permits the spending of unanticipated funds without legislative approval. However, the authority to spend these funds must generally be approved by the State Controlling Board whose voting members are also members of the General Assembly.
Oregon	The Department of Administrative Services has the authority to reduce allotments in the case of revenue shortfalls. Restrictions depend on the level of the appropriation. An entire appropriation cannot be eliminated without legislative approval. Some appropriations are at the program level, while others are at the agency level.
District of Columbia	For a grant that has already been approved, if the funding level increases, the executive can spend the increase without requiring legislative approval. A new grant, or other additional revenues, generally requires legislative and sometimes congressional approval.

Table 8: Gubernatorial Veto Authority

State	Line item veto	Item veto of appropriations amounts	Item veto of appropriations language	How many votes to override the governor's veto?
Alabama	X	X	X	Majority elected
Alaska	X	X		Three-fourths
Arizona*	X			Two-thirds elected
Arkansas	X	X	X	Majority elected
California	X	X	X	Two-thirds elected
Colorado*	X	X	X	Two-thirds elected
Connecticut	X	X		Two-thirds elected
Delaware	X			Three-fifths elected
Florida	X	X		Two-thirds elected
Georgia	X			Two-thirds elected
Hawaii*	X	X		Two-thirds elected
Idaho	X	X	X	Two-thirds elected
Illinois*	X	X		Three-fifths elected
Indiana				Majority elected
Iowa	X	X	X	Two-thirds elected
Kansas	X			Two-thirds elected
Kentucky	X	X	X	Majority elected
Louisiana	X	X	X	Two-thirds elected
Maine*	X	X		Majority elected
Maryland*	X	X		Majority elected
Massachusetts	X	X	X	Two-thirds elected
Michigan*	X	X	X	Two-thirds elected
Minnesota*	X	X	X	Two-thirds elected
Mississippi*	X	X	X	Two-thirds elected
Missouri*	X	X	X	Two-thirds elected
Montana	X	X	X	Two-thirds elected
Nebraska	X	X		Three-fifths elected
Nevada*				Two-thirds elected
New Hampshire				Two-thirds elected
New Jersey	X	X	X	Two-thirds elected
New Mexico	X	X	X	Two-thirds elected
New York*	X	X	X	Two-thirds elected
North Carolina*				Three-fifths elected
North Dakota	X			Two-thirds elected
Ohio*	X	X	X	Three-fifths elected
Oklahoma	X			Two-thirds elected
Oregon	X	X		Two-thirds elected
Pennsylvania	X	X	X	Two-thirds elected
Rhode Island*				Three-fifths elected
South Carolina	X	X		Two-thirds elected
South Dakota	X	X		Two-thirds elected
Tennessee	X	X		Two-thirds elected
Texas	X	X		Two-thirds elected
Utah	X			Two-thirds elected
Vermont				Two-thirds elected
Virginia*	X			Two-thirds elected
Washington	X	X	X	Two-thirds elected
West Virginia	X	X	X	Majority elected
Wisconsin	X	X	X	Two-thirds elected
Wyoming	X	X	X	Two-thirds elected
District of Columbia	X	X	X	Two-thirds elected
Total	**44**	**36**	**23**	

* See Notes to Table 8 on page 50.

Table 8: Additional Details and Notes

Notes to Table 8

Arizona Governor can line-item veto any item of appropriation in bills containing several appropriations.

Colorado The Governor has the authority to veto line items in the general appropriations bill and supplemental appropriations bills. In past years, governors have vetoed appropriations language, though case law is somewhat murky as to whether such vetoes are allowable. It is important to note that this line item veto power is only for general and supplemental appropriations bills—it does NOT apply to most legislation.

Hawaii Governor may veto judicial and legislative appropriations bills only in their entirety.

Illinois IL's Governor also has item reduction veto power. A 3/5ths vote of the legislature is required to override an outright line item veto, but only a majority vote is needed to override an item reduction.

Maine 1) Line item veto of appropriations amounts requires a majority of the elected membership to override. 2) If the Governor vetoes a bill, it is returned to the House of origin where a two thirds vote of the members present and voting in both the Senate and the House is required to override the veto.

Maryland The Governor has no veto authority over the operating budget bill. It becomes law immediately after it has been passed by both houses of the General Assembly without further action by the Governor. The Governor, however, may veto items in supplementary appropriations bills, including the Capital budget bill.

Michigan The Michigan Constitution provides "the governor may disapprove any distinct item or items appropriating monies in any appropriations bill." An item in an appropriations bill contains the subject and the amount of an appropriation. The appropriation bill may contain one or more items. The line item may be a single line or contained in a numbered paragraph of an appropriations bill. The item must set apart a specific portion of money. (Attorney General Opinion No. 6399, November 13, 1986). In addition, language in an appropriations bill that does not specify the exact amount of the appropriation for a particular purpose is a valid exercise of the Governor's veto authority if the language sets apart a specific portion of the money to be ascertained (i.e. calculated) on a date prior to payment as provided by law. (Attorney General Opinion No. 6929, December 30, 1996).

Minnesota The governor can: sign the bill and it will become law; veto the bill; line-item veto individual items within an appropriations or do nothing, which at the end of the biennium results in a pocket veto. Only on appropriations bill can the governor exercise the line-time veto authority. The governor's veto authority is outlined in the Minnesota Constitution (Article IV, Section 23).

Notes to Table 8 (continued)

Mississippi Constitution Article 4 § 73. Veto of parts of appropriations bill. The Governor may veto parts of any appropriation bill, and approve parts of the same, and the portions approved shall be law.

Missouri The Governor can veto unconstitutional language. The Governor cannot veto language to change the purpose of the appropriation.

Nevada The Governor can veto or sign an appropriation or other money bill only in its entirety; no line or sub-bill level veto power.

New York Any appropriation added to the Governor's budget by the Legislature is subject to line-item veto. An override of the Governor's veto requires two-thirds vote in each house of the Legislature.

North Carolina The Governor has veto power to veto the entire package. There is no authority to veto sections of the bill.

Ohio The governor has line item veto authority in appropriation acts only. The item veto of selected words is only available to the governor in appropriation acts.

Rhode Island The Governor must veto the entire appropriations bill. There is no authority to veto sections of the act.

Virginia The Governor may return a bill without limit for recommended amendments for amount and language. For purposes of a veto, a line item is defined as an indivisible sum of money that may or may not coincide with the way in which items are displayed in the appropriations act.

Table 9: Balanced Budget Requirements

State	Balanced budget requirement	Governor required to submit balanced budget	Legal Source	Legislature required to pass balanced budget	Legal Source	Budget signed by governor required to be balanced	Legal Source	Permitted to carry over a deficit**
Alabama	X	X	S	X	S	X		
Alaska*	X	X	S	X	S	X	S	
Arizona								X
Arkansas*	X	X	S					
California	X	X	C	X	C	X	C	X
Colorado	X	X	C,S	X	C,S	X	C,S	
Connecticut	X	X	C,S	X	C,S	X	C,S	X
Delaware	X	X	S	X	C,S	X	C,S	
Florida	X	X	S	X	C	X	C	
Georgia	X	X	C	X	C	X	C	
Hawaii*	X	X	C,S			X	C,S	
Idaho	X	X	C	X	C	X	C	
Illinois	X	X	C,S	X	C,S			X
Indiana								X
Iowa	X	X	S	X	S	X	S	
Kansas	X	X	S	X	C,S			
Kentucky	X	X	S	X	C	X	C	
Louisiana	X	X	C	X	C	X	C	X
Maine	X	X	C,S	X	C,S	X	C,S	
Maryland*	X	X	C	X	C			
Massachusetts	X	X	S	X	S	X	S	
Michigan	X	X	C	X	C	X	C	X
Minnesota*	X	X	C,S	X	C,S	X	C,S	
Mississippi*	X	X	S	X	S	X	S	
Missouri	X	X	C,S			X	C	
Montana	X	X	S	X	C			
Nebraska	X	X	C	X	S	X	S	X
Nevada*	X	X	S	X	C	X	C,S	
New Hampshire	X	X	S	X	S	X	S	
New Jersey	X	X	C	X	C	X	C	
New Mexico	X	X	S			X	S	
New York	X	X	C	X	S	X		
North Carolina	X	X	C,S	X	S	X	C,S	
North Dakota	X	X	C	X	C	X	C	
Ohio	X	X	C,S	X	C,S	X	C,S	
Oklahoma	X	X	C	X	C	X	C	
Oregon	X	X	C	X	C	X	C	
Pennsylvania	X	X	C,S			X	C,S	
Rhode Island	X	X	C	X	C	X	C	X
South Carolina	X	X	C	X	C	X	C	
South Dakota	X	X	C	X	C	X	C	
Tennessee	X	X	C	X	C	X	C	
Texas	X			X	C	X	C	
Utah	X	X	S	X	C	X	C	
Vermont								X
Virginia*								
Washington	X	X	S	X	S			
West Virginia	X			X	C	X	C	
Wisconsin	X	X	C,S	X	C,S	X	C,S	X
Wyoming	X	X	C	X	C	X	C	
District of Columbia	X	X	C,S	X	C,S	X	C,S	
Totals	**46**	**44**		**41**		**40**		**11**

* See Notes to Table 9 on page 54.
** For states permitted to carry over a deficit, see additional explanations on page 53.
Code: C=Constitutional S=Statutory

Table 9: Additional Details and Notes

Carrying Over a Deficit

Explain under what circumstances the state may carry over a deficit, and what actions (if any) are required by statute or constitution to address the deficit in the subsequent budget cycle.

Arizona	There are no statutory and constitutional requirements to address a deficit. However, borrowing is restricted and requires a positive cash flow to maintain operations of the state.
California	Although the current or prior year may end with a deficit, the Governor and Legislature are required to pass a balanced budget.
Connecticut	If the State Comptroller determines that a fiscal year has ended with a deficit, funds from the Budget Reserve Fund are deemed appropriated for purposes of funding such deficit. In the event the state ends the year with a deficit that is not extinguished by a transfer from the Budget Reserve Fund, the Governor must recommend to the General Assembly a budget which not only addresses the forthcoming biennium but also extinguishes the deficit.
Illinois	The balanced budget requirement (both in constitution and statute) only applies to appropriations; it is silent on liabilities that may be incurred for which appropriations are not provided.
Indiana	The state may carry over annual deficits but may not assume debt per the state Constitution except under narrow circumstances. There is no statutory or constitutional requirement to address the deficit in the subsequent budget cycle.
Louisiana	If a mid-year deficit is not resolved within 30 days, a special session is called. If there is a deficit at the end of a fiscal year, the deficit must be resolved in the next fiscal year once the prior year imbalance is certified. This usually occurs in January after the CAFR is published. The mid-year deficit rules then apply to the prior year deficit.
Michigan	The Michigan Constitution allows the amount of any surplus created or deficit incurred in any fund during the last preceding fiscal period to be entered as an item in the proposed budget and in one of the appropriation bills. The Michigan Constitution requires the Governor, upon submission of the executive budget to the Legislature, to submit any necessary legislation "to provide new or additional revenues to meet proposed expenditures." The Michigan Constitution also requires the Governor, with the approval of the Senate and House Appropriation Committees to reduce spending authorized by appropriations whenever it appears that actual revenues for a fiscal period will fall below the revenue estimates on which appropriation for that period were based. The governor may not reduce expenditures of the legislative or judicial branches or from funds constitutionally dedicated for specific purposes. State law prescribes the executive reduction order procedures. The Michigan Constitution allows the Governor to submit amendments to appropriation bills and bills to meet deficiencies in current appropriations, referred to as "negative" supplemental appropriations.
Nebraska	The next biennial budget must re-establish a balanced budget.

Carrying Over a Deficit (continued)

Rhode Island The Rhode Island state constitution does not permit the state to borrow in excess of $50,000 without voter approval. This has been determined to mean that the state must have a balanced budget. However, because the state has a "rainy day fund", the state has spent in excess of revenues received in a given fiscal year, but since the rainy day fund balance was available and no borrowing was needed to cover the excess spending, there was no violation of the state constitution. The deficit is carried into the next fiscal year, thereby requiring reduced spending to bring funding and expenditures back into balance.

Vermont In practice, a deficit has not been carried over.

Wisconsin The deficit must be corrected in the next fiscal year.

Notes to Table 9

Alaska Balanced Budget Requirement- Alaska Statute 37.07.020(c)

Arkansas Pursuant to Arkansas Code 19-4-304, the Chief Fiscal Officer of the State will prepare an estimate of the general and special revenues for the next fiscal year, along with comparative data for the then-current fiscal year and past fiscal year and submit the budget studies, together with his or her recommendations, to the Legislative Council and to the Governor or Governor-elect for such further recommendations as the Governor or Governor-elect may care to make. In addition, the Chief Fiscal Officer of the State will submit the annual revenue forecast to the Legislative Council by December 1 of the year preceding a fiscal session; and no later than sixty (60) days before the start of a regular session.

Hawaii Balanced budget is an implied requirement by the state constitution and statute. A fiscal year may end with expenditures exceeding revenues for that fiscal year, if available carryover balances from prior years are sufficient to offset the deficit and result in a positive net ending balance for the fiscal year.

Maryland The Governor does not sign the Budget Bill. It becomes law immediately after it has been passed by both houses of the General Assembly, without further action by the Governor.

Minnesota The state constitution limits the use of public debt. The limit implicitly requires the state to have a balanced operating budget. M.S. 16A.11 Subd. 2 requires the Governor's budget recommendation to show the balance relation between the total proposed expenditures and the total anticipated revenue.

Mississippi No legislative approval is required for budget reductions. Statutory restriction provides up to 5 percent of general fund and non-exempt special fund agencies as selected by state fiscal officer. Required cuts exceeding 5 percent must be across-the-board.

Nevada Governor's Executive Budget: "All projections of revenue and any other information concerning future state revenue contained in the proposed budget must be based upon the projections and estimates prepared by the Economic Forum pursuant to NRS 353.228." http://leg.state.nv.us/NRS/NRS-353.html#NRS353Sec230 Legislatively approved budget, NV Constitution Article 9 Section 6: 1. The legislature shall provide by law for an annual tax sufficient to defray the estimated expenses of the state for each fiscal year; and whenever the expenses of any year exceed the income, the legislature shall provide for levying a tax sufficient, with other sources of income, to pay the deficiency, as well as the estimated expenses of such ensuing year or two years.

Virginia The balanced budget requirement applies only to budget execution. The Governor is required to insure that actual expenditures do not exceed actual revenues by the end of the appropriation period. The Governor must execute, not sign, a balanced budget.

Table 10: Debt Limits

State	Policy to Limit Authorized Debt		Policy to Limit Debt Service	
	Limit	Description	Limit	Description
Alabama	X	Statutory limits		
Alaska			X	Based on Oil Revenues
Arizona	X	Constitutional prohibition against general obligation debt of more than $350,000. However, non-general obligation debt is not restricted by law.		
Arkansas*				
California				
Colorado	X	General Obligation debt cannot be issued without a vote of the people, per the Colorado Constitution.	X	General Obligation debt cannot be issued without a vote of the people, per the Colorado Constitution.
Connecticut	X	By law, general obligation debt is limited to 1.6 times General Fund tax revenue for the fiscal year, subject to some exclusions.		
Delaware*	X	New General Obligation authorizations are limited to 5% of projected general fund revenue.	X	
Florida	X	Outlined in s.215.98 Florida Statutes.	X	Outlined in s.215.98, Florida Statutes.
Georgia*	X	Less than 3.5% debt to personal income and less than $1,200 in debt per capita as specified in the Debt Management Plan.	X	Debt service may not exceed 10 percent of prior year net revenues per the State Constitution, but the Debt Management Plan has a maximum planning limit of 7%.
Hawaii*	X	18.5 percent average of general fund revenues in past 3 years.	X	Total amount of principal & interest not to exceed debt limit.
Idaho*	X	Annual general obligation debt limit is $2 million, except in cases of war and insurrection	X	Annual general obligation debt limit is $2 million, except in cases of war and insurrection
Illinois	X	Constitutional requirement that a 3/5ths vote of the legislature is required to increase the state debt limit.		
Indiana	X	Indiana's policy on debt service limits our borrowing to 12.5% of our annual revenues.		
Iowa*	X	The state can only issue up to $250,000 in General Obligation debt		
Kansas*	X	The Legislature authorizes debt by appropriation or statutory language.	X	Division of the Budget monitors agency debt levels as part of its budget review process and reports on amounts needed to repay all outstanding debt obligations.
Kentucky			X	A policy to limit appropriated debt service to 6 percent of state funds.
Louisiana	X	The constitution limits the net state tax supported debt to 6% of the estimate of money recognized by the Revenue Estimating Conference.		
Maine*	X	The informal policy on debt is that the debt service does not exceed 5% of the General Fund or Highway Fund revenues.	X	The informal policy on debt is that the debt service does not exceed 5% of the General Fund or Highway Fund revenues.
Maryland	X	Net outstanding tax-supported debt should not exceed 4% of personal income	X	Debt service should not exceed 8% of available revenues
Massachusetts*	X	See footnote.	X	See footnote.
Michigan*	X	State law limits State Building Authority total outstanding debt to $2.7 billion.		
Minnesota*	X	See notes and capital investment guideline #2.		
Mississippi*	X	See footnote.		
Missouri*	X	See footnote.		
Montana				
Nebraska*	X	The state constitution contains language that limits the authority to incur debt to the following activities and limits as described in footnote.	X	
Nevada*	X	General obligation (GO) debt limited to 2% of statewide assessed valuation, except for protecting and preserving any property or natural resources of the state, and non-GO lease-purchase bonds.	X	The bond fund should end each of the next five years with enough for half of the next year's general obligation bond debt service payments, and project a positive fund balance for years beyond that.
New Hampshire				

Table continued on next page.

Table 10: Debt Limits (continued)

State	Policy to Limit Authorized Debt		Policy to Limit Debt Service	
	Limit	Description	Limit	Description
New Jersey	X	Per the New Jersey State Constitution, voter approval is required for new debt supported by State appropriations once authorized debt amount exceeds 1% of total appropriations.		
New Mexico				
New York	X	Less than 4 percent of state personal income. New debt can only be issued for capital purposes and such debt must not exceed 30 years.	X	Less than 5 percent of total receipts from all funds.
North Carolina	X	The Debt Affordability Advisory Committee is required to annually advise the Governor and the General Assembly of the estimated debt capacity of the General, Highway and Highway Trust Funds for the upcoming 10 fiscal years.		
North Dakota	X	General obligation bond limit of $10,000,000	X	10 percent of 1 cent sales tax
Ohio	X	The state constitution cites the limitations of debt that may be issued and, therefore, may be outstanding.	X	The state constitution limits the amount of debt service allowed.
Oklahoma				
Oregon*				
Pennsylvania	X	Debt is limited to 1.75 times the average tax revenue for the previous 5 years	X	Debt service guideline is not to exceed 5 percent of revenue
Rhode Island	X	The Public Finance Management Board has established a policy (not a requirement) that state net tax supported debt should not exceed 6.0% of personal income	X	The Public Finance Management Board has established a policy (not a requirement) that total tax supported debt service should not exceed 7.5% of general revenue.
South Carolina*	X	Generally limited to 4% to 7% of prior year's General Fund revenues	X	Function of Debt Service
South Dakota*			X	$100,000 limit on debt.
Tennessee	X	The outstanding authorized debit limit is driven by the debt service limit.	X	By statute, the debt service cannot exceed ten percent of the General Fund revenues of the previous year.
Texas	X		X	
Utah	X	No more than 85% of the Constitutional Debt limit	X	There is an effort to pay off bonds within 7 years and 15 years is the longest term for debt.
Vermont*	X		X	
Virginia*	X	Limited to 1.15% of the average annual revenues for the 3 years prior.	X	Limited to 5% of taxable general fund revenue.
Washington	X	The WA Constitution limits GO debt issuance if aggregate annual debt service exceeds 9% of average general fund revenue for the 3 preceding fiscal years, and limits the term of GO debt to 30 years.		
West Virginia*	X	Legislative authorization		
Wisconsin	X	The constitution has a ceiling on the aggregate amount of GO debt the state may incur in any calendar year based on all taxable property and the state's net indebtedness.	X	Limited to 3-4% of revenues.
Wyoming	X	1 percent of assessed value of taxable property	X	1 percent of assessed value of taxable service
District of Columbia			X	Debt service expenditures (for all tax-supported debt) cannot exceed 12 percent of the operating budget.
Totals	**40**		**28**	

* See Notes to Table 10 on page 57.

Table 10: Additional Details and Notes

Notes to Table 10

Arkansas	Amendment 20 of the Arkansas Constitution states that bonds are prohibited except when approved by majority vote of electors.
Delaware	No obligation to which the State's full faith and credit is pledged may be incurred if the maximum annual debt service payable in any fiscal year on all such outstanding obligations will exceed the State's cumulative cash balances for the fiscal year following the fiscal year in which such obligation is incurred as estimated by the Secretary of Finance. No tax supported obligation of the State and no Transportation Trust Fund debt obligation of the Delaware Transportation Authority may be incurred if the aggregate maximum annual payments on all such outstanding obligations (plus certain lease obligations described below) will exceed 15% of the estimated aggregate General Fund revenue from all sources (not including unencumbered funds remaining at the end of the previous fiscal year), plus estimated Transportation Trust Fund revenue, in both cases for the fiscal year following the fiscal year in which such obligation is incurred.
Georgia	The Debt Management Plan is adopted by the Georgia State Financing and Investment Commission annually and sets target planning ratios for current and future debt over the course of a five year projection cycle.
Hawaii	The issuance of general obligation bonds cannot exceed 18.5 percent average of general fund revenues in the past 3 years.
Idaho	The legislature may approve individual bond projects as long as they are paid off within 20 years and have been approved by a majority of the voters at a general election. In 1974, the legislature created a quasi-state entity called the Idaho State Building Authority, which is empowered to issue bonds for individual projects authorized by the state legislature.
Iowa	The state is allowed to issue revenue bonds with a specific revenue source dedicated to the debt service.
Kansas	$1 million general obligation debt limit without voter approval
Maine	Temporary loans to be paid out of monies raised by taxation during any fiscal year shall not exceed the aggregate during the fiscal year in question an amount greater than 10% of all monies appropriated, authorized and allocated by the Legislature from undedicated revenues to the General Fund and dedicated revenues to the Highway Fund for that fiscal year, exclusive of proceeds or expenditures from the sale of bonds, or greater than 1% of the total valuation of the State of Maine, whichever is the lesser.

Notes to Table 10 (continued)

Massachusetts Statutory Limit on Direct Debt. Since December, 1989, state finance law has included a limit on the amount of outstanding "direct" bonds of the Commonwealth. For fiscal 2012, the debt limit was $18.944 billion under the statute in place during fiscal 2012. In August 2012, state finance law was amended, effective January 1, 2013, to specify that the debt limit be calculated for fiscal years starting in fiscal 2013 using a fiscal 2012 base value of $17,070,000,000 and increasing the limit for each subsequent fiscal year to 105% of the previous fiscal year's limit. Based on this calculation, the statutory limit on "direct" bonds during fiscal 2015 is $19,760,658,750. Prior to June 10, 2013, this limit was calculated using a statutory definition that differed from GAAP in that the principal amount of outstanding bonds included the amount of any premium and was measured net of any discount, costs of issuance and other financing costs ("net proceeds"). On June 10, 2013, state finance law was amended, effective January 1, 2013, to change the statutory definition of outstanding debt from net proceeds to principal outstanding, a change that brings the debt outstanding definition in conformance with GAAP. Based on the debt affordability analysis, the Administration established a policy for setting the bond cap subject to the following constraints: (a) payment of debt service and debt-like obligations for existing and new debt must stay within 8% of total annual budgeted revenues and (b) future growth of the bond cap to fund the regular capital program is limited to not more than $125 million per year. This policy ensures that the annual borrowing limit is informed by changing fiscal conditions.

Michigan The Michigan Constitution authorizes general obligation long-term borrowing, subject to approval by the Legislature and a majority of voters at a general election. Debt may be incurred without voter approval when providing loans to school districts. The Michigan Constitution also allows the Legislature to authorize general obligation short-term notes, the principal amount of which may not exceed 15% of undedicated revenues received in the preceding year. Short term notes must be repaid within the fiscal year of the borrowing. These debt limit restrictions have resulted in the creation of several authorities whose debt is not considered a general obligation. For example, the State Building Authority (SBA) finances capital projects through the issuance of revenue bonds which are obligations of the SBA and not general obligations of the state of Michigan. The SBA is limited by state law to total outstanding debt at any one time to $2.7 billion (referred to as the bond limit or bond cap). No policy is in place to limit debt service. However, state law has reformed the budget decision-making process by requiring the appropriation of debt service for major projects at the same time that project construction is authorized so that decisions are made concurrently.

Minnesota Minnesota has guidelines for its debt limits on authorized principal, both issued and unissued. The guidelines are not prescribed in law, statute or the State Constitution. Guideline #1: Total tax-supported principal outstanding shall be 3.25% or less of total state personal income. Guideline #2: Total amount of principal (both issued, and authorized but unissued) for state general obligations, state moral obligations, equipment capital leases, and real estate capital leases are not to exceed 6% of state personal income. Guideline #3: 40% of general obligation debt shall be due within five years and 70% within ten years, if consistent with the useful life of the financed assets and/or market conditions.

Notes to Table 10 (continued)

Mississippi SECTION 115. Paragraph 2. Neither the State nor any of its direct agencies, excluding the political subdivisions and other local districts, shall incur a bonded indebtedness in excess of one and one half (1 1/2) times the sum of all the revenue collected by it for all purposes during any one of the preceding four fiscal years, whichever year might be higher.

Missouri The constitution requires that general obligation debt be approved by the voters. The legislature must authorize issuance of general obligation bonds, and must appropriate the first year's principal and interest. Also, pursuant to the constitution, state debt and appropriations to the transportation department stand appropriated.

Nebraska The state constitution contains language that limits the authority to incur debt to the following activities and limits: Incur debt to meet deficits or a failure in revenue (<$10,000); Incur debt to repel invasion, suppression of insurrection, and defend the state in war (>$100,000); Incur debt for highways and water retention and impoundment structures (no limit).

Nevada https://nevadatreasurer.gov/documents/debt/Debt_Issuance_PP-2014.pdf especially pages 3-4. Article 9, Section 3 of the state constitution limits most state outstanding general obligation debt to 2% of statewide assessed valuation. State Treasurer shall conduct a debt affordability analysis on at least an annual basis as well as prior to the issuance of any new money general obligation debt [including]...A minimum ending fund balance in the Consolidated Bond Interest and Redemption Fund at the end of each fiscal year equal to at least one half of the next fiscal year's debt service payments on its general obligation bonds (exclusive of those bonds considered to be self-supporting and paid by other available revenues) in each of the next five fiscal years. For the following fiscal years (Year #6 and beyond), a positive projected fund balance for the Consolidated Bond Interest and Redemption Fund is required. Forecasts of property taxes dedicated to bond repayment are developed with Budget, Taxation, and Legislative staff.

Oregon State formal policy to limit General Fund debt service to 5 percent of General Fund revenues is non-binding (advisory). Lottery Bond debt service is limited by covenants with bondholders (indentures). Constitutional, statutory and biennial legislation provisions limit new and outstanding debt by program. State Treasurer must approve amount of each transaction.

South Carolina The Constitution limits debt to 5% of the prior year's General Fund revenues. However, this may be reduced to 4% or increased to 7% by 2/3rd vote of both Houses. The current debt limit is 6%.

South Dakota South Dakota may issue up to $100,000 in debt. South Dakota uses created Authorities to issue bonds.

Vermont The policy of the Capital Debt Affordability Advisory Committee is to limit debt service to an amount that it deems to be prudent to authorize. The Capital Debt Affordability Advisory Committee recommends to the Governor and the Legislature the maximum annual bond issuance. Debt service is appropriated annually.

Notes to Table 10 (continued)

Virginia	For general obligation debt the constitution provides that no debt shall exceed an amount equal to 1.15 times the average annual tax revenue of the Commonwealth derived from taxes on income and retail sales, as certified Auditor of Public Accounts (APA), for the 3 fiscal years immediately preceding the incurring of such debt. Short term debt limit shall not exceed 30% of an amount equal to 1.15 times the average annual revenues of the Commonwealth derived from taxes on income and retail sales as certified by the APA for the preceding fiscal year, for the 3 fiscal years immediately preceding the incurring of such debt.
West Virginia	The WV Constitution allows short-term debt; statute sets the debt limit. Also, bonds may not be issued or refunded by the state or any of its agencies, boards or commissions without the express written direction of the Governor. An annual review of the size and condition of the State's tax-supported debt and a report is submitted to the Governor and the Legislature.

Table 11: Tax and Expenditure Limitations (TELs)

State	TEL	TEL Description	Year TEL enacted	Created by voter initiative	Legal Source	Votes required to override TEL	Votes required to pass a tax or revenue increase
Alabama							Majority elected
Alaska*	X	Appropriation limited to growth of population and inflation since 7/1/81	1982		C	As described in footnotes	Majority elected
Arizona	X	Constitutional expenditure limit of 7.41% of state personal income; no tax limit	1990		C	Two-thirds elected	Two-thirds elected
Arkansas*							Three-Fourths
California	X	The State Appropriations Limit (SAL) limits the growth in the level of certain appropriations from tax proceeds to the level of the prior year's SAL as adjusted for changes in growth factors.	1979	X	C	Voters would have to change the constitution.	Tax increase—two-thirds; other revenue increase—majority
Colorado	X	"a. Most General and Cash Fund revenues are limited to an index of population plus inflation growth over amounts from FY 2007-08. b. Annual General Fund expenditures may not exceed five percent of Colorado personal income."	1992	X	C	Vote of the people	A tax policy change that results in a revenue increase cannot be done without a vote of the people.
Connecticut	X	By law, growth in appropriations is limited to the greater of the five year average increase in personal income, or the rate of inflation.	1992		C,S	Three-fifths	Majority elected
Delaware							Three-fifths majority
Florida	X	Defined in Article VII Section I(e) Florida Constitution.	1994	X	C	Two-thirds elected	Majority elected
Georgia							Majority elected
Hawaii	X	Appropriation limited to 3 year average of personal income growth.	1980		C,S	Two-thirds elected	Majority elected
Idaho	X	Ongoing appropriation limited to 5.33 percent of personal income	1980		S	Majority elected	Majority elected
Illinois	X	General funds expenditures are limited, only from FY2012-FY2015, by a statutory cap which if exceeded would trigger a roll back of income tax rates in effect prior to Public Act 96-1496.	2011		S	A new law requires a majority from January-May, or a 3/5ths otherwise, to be effective immediately.	Majority elected
Indiana	X	A state spending cap exists in statute. State spending is far less than what is calculated by this formula in statute.	2002		S	Majority elected	Majority elected
Iowa	X	The Governor's budget recommendation and the Legislature's enacted budget can only appropriate 99% of the adjusted revenues for that specific year.	1992		S	Majority elected	Majority elected
Kansas							Majority elected
Kentucky							Majority elected
Louisiana	X	Expenditure limit only. The limit is set at the appropriations for 1991-1992 fiscal year plus a positive growth factor every year.	1990	X	C	Two-thirds elected	Two-thirds elected
Maine*	X	See footnote	2005		S	Majority elected	Majority elected
Maryland*							Majority elected
Massachusetts							Majority elected
Michigan*	X	The "Headlee" Amendment limits state revenue, limits state spending, and defines the fiscal relationship between state and local governments.	1978	X	C	Two-thirds vote of Legislature and majority vote of electorate to change Constitution	Majority elected
Minnesota							Majority elected
Mississippi	X	Appropriations not to exceed 98 percent of projected revenue.	1992		S	Majority elected	3/5 elected
Missouri*	X	Missouri's revenue is limited to 5.64% of the prior year's personal income. Also, taxes may not be increased by the legislature more than one percent of total state revenue—about $84M in 2013.	1980/ 1996	X	C	The TEL may be changed only by a vote of the people.	Majority elected

Table continued on next page.

Table 11: Tax and Expenditure Limitations (TELs) (continued)

State	TEL	TEL Description	Year TEL enacted	Created by voter initiative	Legal Source	Votes required to override TEL	Votes required to pass a tax or revenue increase
Montana							Majority elected
Nebraska							Majority elected
Nevada*	X	The Governor may not propose General Fund spending that exceeds the 1975-77 biennium's spending, adjusted for inflation and population growth.	1979		S	A majority vote would be needed to change the TEL; no procedure named for an override.	Two-thirds elected
New Hampshire							Majority elected
New Jersey	X	Appropriations for State operations limited to personal income growth.	1990		S	Majority elected	Majority elected
New Mexico							Majority elected
New York*							Majority elected
North Carolina	X	Appropriations are limited to 7 percent of the state's personal income.	1991		S	Majority elected	Majority elected
North Dakota							Majority elected
Ohio*	X	See footnotes about Ohio's State Appropriation Limitation (SAL)	2006		S	Two-thirds elected	Majority elected
Oklahoma	X	Tax limit = requires vote of the people to increase taxes. Expenditure limit is 12% plus inflation.	1992	X	C	Three-fourths	Three-fourths
Oregon	X	Appropriations limited to personal income growth.	2001		S	3/5 elected.	Two-thirds elected
Pennsylvania							Majority elected
Rhode Island	X	Rhode Island can spend 97 percent of revenues; the remaining 3 percent goes to the Rainy Day Fund	1992		C	Two-thirds elected	Two-thirds elected
South Carolina	X	Appropriations limited to personal income growth	1985		C,S	Special vote	Majority elected
South Dakota							
Tennessee	X	Appropriations are limited to personal income growth.	1979		C	Majority elected	Majority elected
Texas*	X	Growth in appropriations from non-dedicated tax revenues must not exceed growth in state personal income.	1978	X	C,S		Majority elected
Utah*	X	Appropriations limited to growth in population, inflation, and personal income.	1989		S		Majority elected
Vermont							Majority elected
Virginia*							Majority elected
Washington	X	The state has had an expenditure limit since adopted by voters in 1993. It affects only General Fund-State spending.	1993	X	S	Two-thirds elected	Two-thirds elected
West Virginia							Majority elected
Wisconsin*							Two-thirds elected
Wyoming							Majority elected
District of Columbia							Majority elected
Total	**28**			**9**			

* See Notes to Table 11 on page 63.
Codes C=Constitutional S=Statutory

Table 11: Additional Details and Notes

Notes to Table 11

Alaska	The legislature may exceed this TEL limit in bills for appropriations to the Alaska permanent fund and in bills for appropriations for capital projects, whether of bond proceeds or otherwise, if each bill is approved by the governor, or passed by affirmative vote of three-fourths of the membership of the legislature over a veto or line item veto, or becomes law without signature and is also approved by voters as prescribed by law. Otherwise this would require an amendment to the constitution which consists of a two-thirds vote of each house of the legislature. The lieutenant Governor shall then prepare a ballot title and proposition summarizing each proposed amendment, and shall place them on the ballot for the next general election. If a majority of the votes cast on the proposition favor the amendment, it shall be adopted.
Arkansas	Article 1, Section 38 of the Arkansas Constitution states that "none of the rates for property, excise, privilege or personal taxes, now levied shall be increased by the General Assembly except after the approval of the qualified electors voting thereon at an election, or in case of emergency, by the votes of three-fourths of the members elected to each House of the General Assembly".
Maine	For fiscal years that the state and local tax burden ranks in the highest 1/3 of all states, the growth limitation factor is average real personal income growth, but no more than 2.75%, plus average population growth. For fiscal years when the state and local tax burden ranks in the middle 1/3 of all states, as determined by the State Tax Assessor, the growth limitation factor is average real personal income growth plus forecasted inflation plus average population growth. Majority of the elected members that are present for the vote.
Maryland	The General Assembly recommends a spending affordability limit to the Governor each year.
Michigan	The Michigan Constitution limits the total amount of taxes imposed by the Legislature in any fiscal year. This revenue limit may be increased in one of two ways: 1) voter-approved amendment to the state constitution; or, 2) gubernatorial request to the legislature to declare an emergency, its nature, dollar amount, and method of funding, and the legislature declares an emergency consistent with this information by a two-thirds vote in each house. The Michigan Constitution also limits total state spending equal to the state revenue limitation plus federal aid plus any surplus from a prior year.
Missouri	Amounts above the revenue limit must be approved by a majority vote of the people. The revenue limit was enacted in 1980 and the tax limit in 1996. The revenue limit was created by voter initiative; the tax limit was placed on the ballot by the legislature.
Nevada	Limitation on proposed expenditures: http://leg.state.nv.us/NRS/NRS-353.html#NRS-353Sec213. Exceptions to the TEL are "construction and reducing any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund ..."

Notes to Table 11 (continued)

New York	While New York State currently has no statutory limitation on state spending growth, a self-imposed 2 percent spending cap has existed since FY 2011. In upcoming fiscal years, the Governor is expected to propose, and negotiate with the Legislature to enact, a budget in each fiscal year that restricts State Operating Funds spending growth to 2 percent.
Ohio	Ohio's statutory State Appropriation Limitation (SAL) limits, with certain exceptions, general revenue fund appropriation increases to 3.5% of prior fiscal year spending and allows for adjustments based on the consumer price index (CPI) and population growth.
Texas	Texas's constitutional spending limit currently reads that "in no biennium shall the rate of growth of appropriations from state tax revenues not dedicated by this constitution exceed the estimated rate of growth of the state's economy." The Texas Government Code provides how the specific rate of growth is determined, and that is currently defined as the growth in personal income. Texas has several other constitutional limits on state spending growth: the "pay-as-you-go," or balanced budget, limit, which requires that all appropriations are within available revenue in the fund from which the appropriation is made; the limit on welfare spending; and the limit on debt service.
Virginia	2/3 of the members present include a majority of the elected members.
Wisconsin	The two-thirds vote required to pass a tax increase applies to the state sales tax and any rates of the income or franchise taxes.

CHAPTER 3

Budget Approach, Procedures, and Tools

The tables in this chapter provide a variety of information on budgeting tools and techniques at the state level. This section highlights the variety of budget methodologies, reserve fund structures, ways to handle budget surpluses and unspent appropriations, and financial management technology used across states.

Budget Approach (Table 12)

States use a combination of approaches to develop the budget, including incremental or line-item budgeting—considered to be more traditional forms of public sector budgeting—as well as program budgeting, zero-based or modified zero-based budgeting, and performance budgeting. Since discussions about these various budget approaches or decision models can get bogged down in confusion over terminology, the following definitions were included in the survey instrument in an attempt to standardize state responses to some degree.

Incremental Budgeting—An approach to budgeting that generally requires explanation or justification only for additions or deletions to current budgeted or base expenditures. Funding decisions are made on the margin, based on the justifications for spending increases or decreases of operating agencies or programs.

Line-Item Budgeting—An approach to budget development, analysis, authorization and control that focuses on objects or lines of expenditures (for example, personnel, supplies, contractual services, capital outlay).

Program Budgeting—An approach to budget formulation and appropriations that identifies programs or activities, rather than line items, as the primary budget units, and presents information on program missions, goals and effectiveness. This information intends to aid the executive and legislature in understanding the broader policy implications of their funding decisions and the expected results of services to be carried out by programs.

Performance Budgeting—Similar to program budgeting, this budgeting approach also uses programs or activities as budget units, and presents information on program goals and performance. This budget system places emphasis on incorporating program performance information into the budget development and appropriations process, and allocating resources to achieve measureable results.

Zero-base budgeting (ZBB) or Modified ZBB—A systematic approach to planning and budgeting that subjects all expenditures to justification (in contrast to incremental budgeting). Funding requests, recommendations and allocations for existing and new programs are usually ranked in priority order on the basis of alternative service levels, which are lower, equal to and higher than current levels. A modified zero-base budgeting (ZBB) approach may use a spending baseline above zero (e.g., 80 percent of the current spending level) or apply the process to programs on a rotating basis so that only a portion of programs are subject to ZBB each budget cycle.

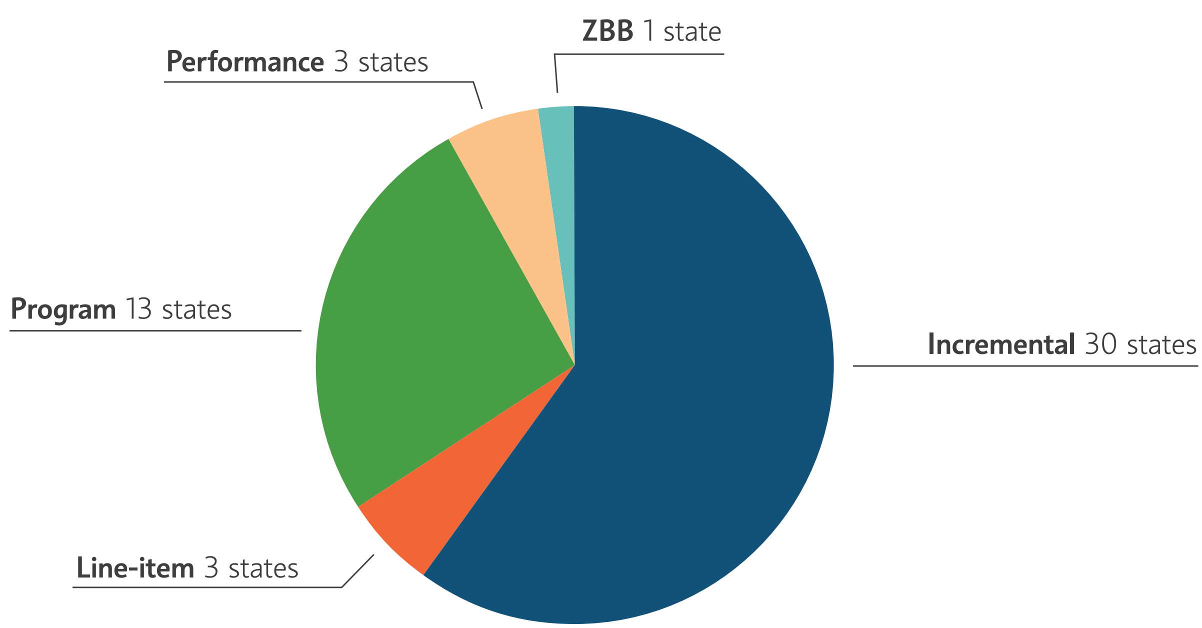
NASBO has been engaged in an ongoing project regarding the use of performance data in state budgetary decision-making, and has found through member discussions on the subject that most states that use a form of performance budgeting do so in conjunction with other budget approaches.[3] In other words, very few states practice what they would call pure "performance-based budgeting." Rather they use performance data as one tool to inform funding decisions, for example to help justify new investments or to guide budgeting in a particular program area. The data in Table 12 are consistent with these findings. Only three states (plus the District of Columbia) identified performance budgeting as the "primary budget approach" used, while 25 states indicated that performance budgeting is used in conjunction with another primary budget approach, such as incremental or program budgeting. (Chapter 6 of this document contains more details on the use of performance measures in state budgeting and management.) Oregon was the only state to identify zero-based budgeting (ZBB) or modified ZBB as its primary budget approach, while 12 states listed this as a complementary budget approach. A majority of states (30 total) still identified their primary budget approach as incremental in nature, while 13 states said they primarily use a program budgeting approach and three states said they use a line-item approach.

Budgeting Procedures (Table 13)

Aside from a state's budget approach, states also vary in their budgetary treatment of and procedures for certain fund sources. As shown in Table 13, 43 states appropriate federal funds. Additionally, 37 states reported that they appropriate all funds from non-federal sources, excluding tuition and fees which were asked about separately. In 17 states, tuition and fees for public universities are also subject to appropriation, while 20 states have permanent or continuous appropriations.

Unlike at the federal government level, where political gridlock and other hurdles frequently prevent Congress from passing a budget on time, it is rare for a state legislature to fail to adopt appropriations in time for the start of the next fiscal year. Only eight states have statutory procedures in place if a budget is not passed in time for the beginning of the fiscal year. These procedures are further explained in the footnotes following Table 13.

Figure 5: Primary Budget Approach



[3] For further reading, see NASBO, *Investing in Results: Using Performance Data to Inform State Budgeting* (Summer 2014), available at *http://www.nasbo.org/investing-in-results*.

Budget Stabilization or Rainy Day Funds, Disaster Funds (Tables 14 and 15)

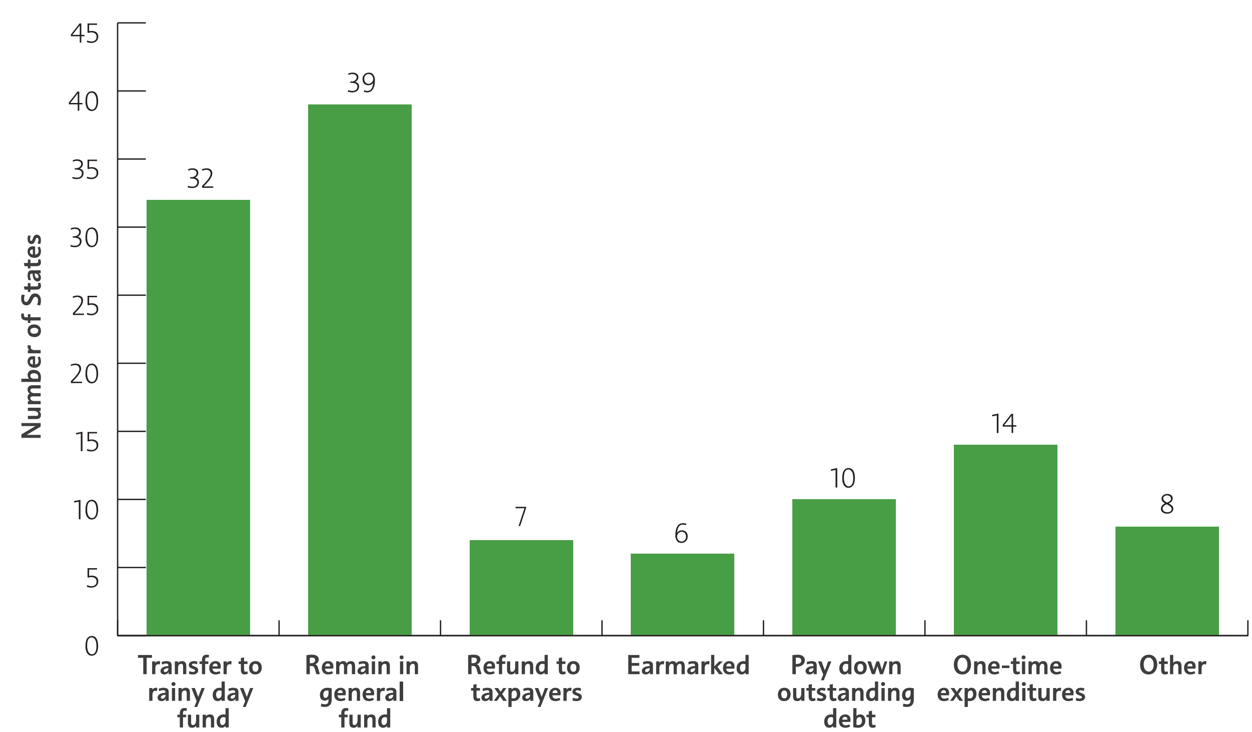
Nearly all states have at least one budget stabilization fund, also known as a rainy day fund, as shown in Table 14. These reserve funds help states mitigate disruptions to state services during an economic downturn as well as respond to other unforeseen circumstances. Many of these funds are capped in size and, if capped, the limits are often tied to the overall size of the **general fund**. Procedures to expend funds also differ across states, with some requiring a majority vote by the legislature and others requiring super majority votes to access the funds. A number of states maintain multiple budget stabilization funds. In addition to a general reserve or budget stabilization fund, some states also have a reserve dedicated to education funding, such as Idaho's Public Education Stabilization Fund and Oregon's Education Stability Fund. A few states such as Indiana, Ohio and Utah also have **contingency funds** set aside for Medicaid expenditures, which can be hard to predict for a given year. A couple states (Idaho and Indiana) also have established reserve funds specifically for higher education.

In addition to budget stabilization funds, the vast majority of states also have separate funds set aside to respond to natural or man-made disasters. These funds range in size and are reserved to address natural disaster or public safety needs. Most states allow the balances in these funds to carry forward to the next fiscal year. In 23 states, the executive branch is authorized to transfer appropriations from outside the disaster/emergency/contingency fund to respond to a natural or manmade disaster.

General Fund Surplus and Unspent Appropriations Tables (Tables 16 and 17)

States have various legal requirements and policies in place to determine how to handle a general fund surplus. While some states have strict laws that dictate how a general fund surplus is handled, other states allow elected leaders more discretion to decide on a year-to-year, case-by-case basis how to use surplus funds. As shown in Table 16 and Figure 6, in 32 states, at least a portion of any surplus is directed to the state's budget stabilization or rainy day fund, while in 39 states, at least some surplus funds remain in the general fund. Fourteen states

Figure 6: How General Fund Surplus is Used



reported that general fund surplus dollars are also commonly used for **one-time appropriations** or expenditures, while 10 states indicated that some surplus monies are directed towards paying down outstanding debt. Meanwhile, seven states refund at least part of a general fund surplus to taxpayers and six states earmark some surplus funds for specific purposes. For more specific details on how states handle a general fund surplus, refer to the footnotes following Table 16.

States also vary in how they treat unspent appropriations. Unlike a general fund surplus—which typically results from a situation when revenues come in above budget projections—unspent appropriations refer to instances when an agency does not use its full appropriation during its designated budget cycle. As shown in Table 17, 44 states reported that unspent monies often revert to the general fund, while 29 states also allow some unspent appropriations to be carried forward into the next fiscal year. Seven states indicated that unspent appropriations are sometimes transferred to another fund. Since a state's handling of unspent appropriations typically varies depending on the specific appropriation and other factors, states were asked to provide additional explanation in footnotes. These footnotes can be found following Table 17, and in this case may be more informative than the generalized responses listed in the table.

Assessing Intergovernmental Mandates (Table 18)

In the U.S. federalist system, a legislative or policy action by one level of government can have fiscal implications for another level. Many states conduct analysis to determine the potential impact of intergovernmental **mandates**.

Analyzing Federal Impact

As shown in Table 18, 33 states estimate the cost that they will bear as a result of federal mandates, while six states estimate the cost of federal mandates on local governments within their jurisdictions. As shown separately in Table 2 earlier in this publication, state budget offices often perform analysis of federal legislation. Many states additionally have federal liaisons, also known as Washington representatives, who work with Congress, federal agencies, and state associations such as the National Governors Association to address specific state concerns.[4] NASBO also helps states monitor federal actions that may impact state finances through newsletters, issues briefs, conference calls and other means, while other organizations such as Federal Funds Information for States (FFIS) produce detailed data on federal grants for state governments. The State and Local Government Cost Estimates Unit at the Congressional Budget Office (CBO) publishes official assessments for Congress of the costs imposed on state, local and tribal governments of federal legislation.

State Mandates on Localities

Table 18 indicates that 31 states produce estimates of the cost of state mandates borne by local governments. Additionally, 35 states prepare fiscal notes analyzing the impact of state legislation on localities. Sixteen states reported that they reimburse local governments for the cost of certain mandates.

Financial Management Technology (Table 19)

As shown in Table 19, 39 states have an integrated financial management system, also known as an enterprise resource planning (ERP) system. States go through lengthy processes to update systems and expand them to incorporate more functions. As indicated in the table, a number of states have made upgrades to these systems in recent years, while some states are currently undergoing system changes.

Access to these integrated systems is more limited in some states than in others, though most states with an integrated financial management system grant their budget agency access to both read and edit data. Statewide financial management systems include a variety of functions, with the most common being accounting, payroll, personnel, procurement, asset management and budget. A number of these systems also support states in managing supplier relationships, federal grant funds, travel, facilities, and performance measures.

[4] The National Governors Association maintains a regularly updated director of governors' Washington office representatives and state-federal contacts on its website at http://nga.org/cms/govstaff. As of April 2015, 27 states had offices in Washington, DC according to NGA's directory.

Table 12: Budget Approach

State	Primary Budget Approach**					Secondary Budget Approach(es)				
	Incremental	Line-item	Program	Performance	ZBB or modified ZBB	Incremental	Line-item	Program	Performance	ZBB or modified ZBB
Alabama	X							X		
Alaska	X						X	X	X	
Arizona	X						X	X	X	
Arkansas	X						X			
California*			X			X				X
Colorado	X						X	X	X	
Connecticut	X						X	X		
Delaware		X				X		X		
Florida	X						X	X	X	X
Georgia			X						X	X
Hawaii			X			X	X		X	
Idaho	X						X			
Illinois		X						X	X	
Indiana	X							X	X	
Iowa	X							X		
Kansas	X							X		
Kentucky			X			X				
Louisiana*				X		X	X	X		
Maine	X						X	X		X
Maryland			X			X	X		X	
Massachusetts	X							X		
Michigan*		X				X		X	X	
Minnesota			X			X				
Mississippi	X						X	X		
Missouri	X							X	X	X
Montana	X							X		X
Nebraska*	X							X	X	
Nevada	X						X		X	
New Hampshire	X						X		X	
New Jersey				X		X		X		
New Mexico			X						X	
New York	X						X	X		
North Carolina	X							X	X	
North Dakota	X						X	X		X
Ohio*			X							X
Oklahoma*	X							X	X	X
Oregon					X	X	X	X	X	
Pennsylvania			X				X			
Rhode Island	X						X	X	X	
South Carolina	X						X	X	X	X
South Dakota			X			X	X			
Tennessee	X							X		
Texas				X			X	X		X
Utah	X						X			
Vermont	X						X	X	X	
Virginia			X			X			X	
Washington	X							X	X	
West Virginia	X						X	X		
Wisconsin			X			X			X	
Wyoming			X			X			X	X
									X	
District of Columbia				X		X	X	X		
Totals	**30**	**3**	**13**	**3**	**1**	**14**	**25**	**32**	**25**	**12**

* See Notes to Table 12 on page 70.
** For states that identified a specific name for their budget approach, see page 70.

Table 12: Additional Details and Notes

Specific Name for Budget Approach

Alaska	Results based on performance based budgets
Hawaii	Program Planning and Budgeting (PPB)
Illinois	Budgeting for Results
Nevada	Priorities and Performance-Based Budget
Washington	Priorities of Government

Notes to Table 12

California	Although appropriations are made and controlled at a program level, incremental budgeting is used for justification and decision-making during budget building.
Louisiana	An act of the legislature during the 2014 session requires the major expenditure categories to be included in the appropriations bill starting in the 2015 session for the FY16 budget.
Michigan	All agencies are required to identify performance indicators that measure achievement of program outcomes consistent with the agency mission. Measurements are selectively monitored by the legislature. The State Budget Office utilizes program outcomes to evaluate requests for funding changes as part of the annual Executive Budget process.
Nebraska	The state does not appropriate Trust Funds in specific amounts. The budget approach utilized by the Executive Branch is strategic and places increasing emphasis on performance measures and results. Legislature utilizes the incremental approach.
Ohio	Modified zero-based and program budgeting are used.
Oklahoma	In practice, the state of Oklahoma currently uses incremental budgeting. Our statutes currently require zero-based budgeting. We are moving to a performance informed program budgeting process.

Table 13: Budgeting Procedures

State	State appropriates federal funds	State appropriates all non-federal funds (besides university tuition and fees)	State appropriates tuition and fees to public universities	State has permanent/ continuous appropriations	Statutory procedures if no budget passed**
Alabama	X	X	X		
Alaska*	X	X	X	X	
Arizona*				X	
Arkansas	X	X	X		
California*	X	X		X	X
Colorado*		X			
Connecticut*					
Delaware					
Florida	X	X	X	X	
Georgia	X	X		X	
Hawaii	X				
Idaho	X	X	X	X	
Illinois	X	X		X	
Indiana*	X	X		X	
Iowa*	X	X	X		
Kansas	X	X	X		
Kentucky	X	X	X	X	
Louisiana	X	X	X		
Maine*	X	X		X	
Maryland*	X	X	X		
Massachusetts					X
Michigan*	X	X			
Minnesota*	X	X		X	
Mississippi	X	X	X		
Missouri*	X	X			X
Montana	X			X	
Nebraska*	X	X			
Nevada*	X				
New Hampshire	X	X		X	
New Jersey	X	X			
New Mexico		X		X	
New York	X	X	X		
North Carolina	X				X
North Dakota	X			X	
Ohio*	X				
Oklahoma					
Oregon*	X	X			
Pennsylvania*	X	X			
Rhode Island	X	X	X		X
South Carolina*	X	X	X		
South Dakota	X	X	X	X	
Tennessee	X	X			
Texas	X	X			X
Utah	X	X		X	X
Vermont	X	X			
Virginia*	X	X	X	X	
Washington	X				
West Virginia*	X				
Wisconsin	X	X	X	X	X
Wyoming	X	X		X	
District of Columbia	X	X	X		
Totals	**43**	**37**	**17**	**20**	**8**

* See Notes to Table 13 on page 72.
** For states with statutory procedures in place if budget is not passed by beginning of fiscal year, see additional explanations on page 72.

Table 13: Additional Details and Notes

Statutory Procedures if No Budget in Place by the Beginning of the Fiscal Year

California	See footnote.
Massachusetts	In years in which the general appropriations act is not approved by the Legislature and the Governor before the beginning of the applicable fiscal year, the Legislature and the Governor generally approve a temporary budget under which funds for the Commonwealth's programs and services are appropriated based upon the level of appropriations from the prior fiscal year budget.
Missouri	The Governor may call a special session.
North Carolina	Continuing Budget Authority
Rhode Island	Rhode Island law authorizes monthly appropriations based on the prior fiscal year's enacted budget; however, debt service on general obligation bonds is not subject to any limitations.
Utah	The base budget is adopted within the first 10 days of the Legislative Session.
Wisconsin	If the biennial budget is not effective by July 1 of odd years, the prior year's appropriation levels continue until the budget is enacted.

Notes to Table 13

Alaska	The governor is required by statute (AS 37.07.020(c)) to submit a balanced budget. Likewise, the legislature is required by statute (AS 37.07.014(e)(2) to pass a balanced budget
Arizona	Some state funds are continuously appropriated, others require annual legislative appropriations. University tuition is collected into state funds and appropriated back to the universities. University fees are separated into fees intended for local use on the campus where the fees were assessed and those fees used for university-wide or state-wide university activities. Except for the local-use fees, all fees are deposited into a state fund and appropriated back to the universities.
California	The state appropriates funds predominantly through the annual budget bill but has selected permanent/continuous appropriations. The state prepares the annual budget on a legal basis. There are no general provisions to continue or temporarily establish spending authority when the state budget is not enacted in a timely manner. However, most payments continue per other spending authority such as federal mandates, some multiple year appropriations, Constitutionally-required school apportionments, court cases, and payments required in accordance with the Fair Labor Standards Act.
Colorado	There are some appropriations which are authorized by the General Assembly as continuous appropriations per the respective statutes creating them. These are on a case by case basis and do not represent the norm in our budgeting.

Notes to Table 13 (continued)

Connecticut	In the event that no budget exists when a fiscal year begins, the Governor may, through executive order, issue allotments. Alternatively, the General Assembly may adopt a continuing resolution.
Indiana	Our state budget appropriates federal funds for transportation but for no other functions. While there are a few permanent/continuous appropriations, most are set biennially in the budget bill.
Iowa	Iowa's constitution provides that no money may be spent from the State Treasury unless the Legislature enacts a law to do so and the Governor concurs. The public universities have statutory authority to spend the tuition and fees they collect.
Maine	The State Constitution includes several funding requirements. In addition, there are also federal mandates, court orders and consent decrees that include the minimum requirement of a funding request be placed in the Governor's budget proposal. Examples of funding requirements include Debt Payments, State Employee Retirement and Education Spending pertaining to a citizens' initiative passed in November 2004 that requires the state to pay 55% of public education costs for K-12 and 100% of special education costs.
Maryland	The State has a constitutional provision that requires the Session to be extended if the budget is not passed by the 90th day. No other items may be considered at the extended Session until the budget is passed.
Michigan	1) The Michigan Constitution requires all payments from the state treasury to be appropriated. 2) The Legislature's power to appropriate is the means by which the Legislature controls state spending. If no budget is passed, there is no appropriation, preventing state departments from incurring obligations or making expenditures.
Minnesota	The state constitution requires that 'no money be paid out of treasury... except in pursuance of an appropriation by law.' Federal funds and certain dedicated funds are appropriated via general statutory provisions and presented in the Governor's biennial budget, rather than by direct appropriations in budget bills. Continuing appropriations are used for capital projects and certain appropriations that are available until expended. The state of Minnesota has experienced two partial state government shutdowns, including 8 days in 2005 and 20 days in 2011. In 2005, during the shutdown, a temporary spending bill was passed authorizing continuing appropriations for amounts necessary to continue operations at the fiscal 2006 base level spending until final bills were passed on July 14, 2005. In 2011, critical state operations, primarily limited to programs directly affecting life, safety, and protection of property, were ordered to continue by the Ramsey County District Court until the shutdown ended.
Missouri	Except for a few appropriations, such as paying public debt, no funds may be paid from the treasury without an appropriation.
Nebraska	The state does not appropriate tuition and fees to the University of Nebraska System. Tuition and fees are appropriated to the State College System but the amounts included in the enacted budget are estimates and such appropriations may be increased administratively by the Budget Office upon submission of satisfactorily evidence of need by the State Colleges.
Nevada	Nevada appropriates General Fund and Highway Fund and authorizes expenditure of federal funds and most but not all non-federal funds.
Ohio	If the state budget is not passed by June 30, the General Assembly is able to pass interim budgets until such time as the complete budget is approved.

Notes to Table 13 (continued)

Oregon	There are no permanent statutory procedures if a budget is not passed by the beginning of the new biennium. A continuing resolution bill must be passed by the legislature before the end of the biennium to authorize continued expenditures.
Pennsylvania	General Fund state and federal funds as well as certain special funds are appropriated; federal sub-grants and other special funds are executively authorized. No permanent appropriations for the Executive branch, although some appropriations are given a continuing status for two or three years. Appropriations for the legislature are made annually and are continuing with no restriction on time. GAAP statements are published separately by a bureau within the agency.
South Carolina	No statutory procedures if budget not passed by the beginning of the fiscal year. However, the Governor has the authority to call a special session of the General Assembly after the end of the legislative session, if necessary.
Virginia	Continuous appropriations could be applied to Capital outlay. The budget office reviews each project annually and if required has the authority to continue the appropriation based on annual reviews until completion.
Washington	In addition to our state General Fund, Washington State budgets for more than 500 dedicated accounts. About 300 of these require appropriations be made by the legislature before spending is allowed. About 200 of them are reflected in budget reports and databases, but do not require an appropriation by the legislature. Many of these are fee accounts that are managed by the administering agency. Finally, we have over 100 accounts that are non-budgeted, meaning they neither require an appropriation, nor are they reflected in any budget documents or database. Examples of this are permanent accounts, trust accounts for pensions, and most of the enterprise accounts for higher education.
West Virginia	If the budget bill has not passed the Legislature three days before the expiration of its regular 60-day session then the Governor shall issue a proclamation extending the regular session for as long as necessary for the passage of the budget bill. During this extended session only the budget may be considered (and to provide for the cost of the extended session).

Table 14: Budget Stabilization or "Rainy Day" Fund

State	Fund Name	Funding Source and Method to Determine Deposits	Minimum Size Required	Maximum Size Required	Procedure for Expenditure	Legal Source
Alabama	Education Trust Fund Rainy Day Fund	Funding Source—Alabama Trust Fund 6.5% of the previous fiscal year's total appropriations from the ETF, less outstanding amounts		6.5% of the previous fiscal year's total appropriations from the ETF less outstanding amounts	Governor declared "proration" when anticipated revenues are not sufficient to fund appropriations. Proration is the Governor's ability to cut appropriations across the board without legislative approval.	Constitution (Amendment 803)
	General fund Rainy Day Fund	Funding Source—Alabama Trust Fund 10% of the previous fiscal year's total appropriations from the GF, less outstanding amounts		10% of the previous fiscal year's total appropriations from the ETF, less outstanding amounts	Governor declared "proration" when anticipated revenues are not sufficient to fund appropriations. Proration is the Governor's ability to cut appropriations across the board without legislative approval.	Constitution (Amendment 803)
	Education Trust Fund Budget Stabilization Fund	Funding Source—Education Trust Fund Any excess, after the ETF Rainy Day is repaid in full, of total revenues deposited in the ETF during the immediately preceding fiscal year over that same fiscal year's appropriation cap.		20% of the current fiscal year's appropriations from the ETF	Governor declared "proration" when anticipated revenues are not sufficient to fund appropriations. Proration is the Governor's ability to cut appropriations across the board without legislative approval.	Statute
Alaska*	Budget Reserve Account	Unexpended balance and appropriations			Appropriation	Statute (Alaska Stat. § 37.05.540)
	Constitutional Budget Reserve Fund	Oil and Gas litigation/disputes settlements			3/4 Vote of Legislature	Constitution
	Permanent Fund & Earnings Reserve	At least 25 percent of all mineral lease rentals, royalties, royalty sales proceeds, federal mineral revenue-sharing payments and bonuses received by the state be placed in a permanent fund, the principal of which may only be used for income-producing investments			The Alaska Constitution says that the principal may not be spent. The earnings in the earnings reserve may be spent by the Legislature for any public purpose, including the Permanent Fund Dividend distribution.	Constitution
Arizona	Budget Stabilization Fund	Annual general fund revenue growth in excess of the seven-year average growth is deposited into the Budget Stabilization Fund.		7.0% of current year general fund revenue	Automatic deposits into the general fund if general fund revenue growth is less than 2% and less than the seven-year average growth	Statute
Arkansas*	Budget Stabilization Fund	1/2 interest on state treasury balances			Distributes money (when available) to various fund accounts	Statute
California	Special Fund for Economic Uncertainties (SFEU)	General Fund, Deposits determined by the Governor			Upon direction of the Governor for emergencies or upon appropriation by the legislature	Statute
	Budget Stabilization Account (BSA)	Fifty percent of the sum of the following: 1) Portion of capital gain revenues in excess of 8 percent of General Fund tax revenues that are not required to fund Proposition 98 expenditures and 2) 1.5 percent of annual General Fund revenues.		10% of General Fund tax revenues	Upon appropriation after Governor declares budget emergency.	Constitution
Colorado	General Fund Appropriations Reserve	6.5% of State General Fund Appropriations (appropriations which are subject to the appropriations limit)	6.5%	Depends on the mechanisms set by the General Assembly for that fiscal year. It has differed by year.	Reserve would need to be refilled if spent unless the statute authorizing the 6.5% were amended.	Statute
Connecticut	Budget Reserve Fund	Unappropriated surplus after the books are closed for the fiscal year		10 percent of the General Fund	Deemed appropriated for purposes of funding a deficit	Constitution and Statute
Delaware	Budget Reserve Account	The excess of any unencumbered funds remaining from the said fiscal year shall be paid into the Budget Reserve Account, provided, however, that no such payment will be made which would increase the total of the Budget Reserve Account to more than 5 percent of the estimated State General Fund revenue			Three-fifths vote of General Assembly, to be used for unanticipated deficit, or to fund revenue reduction enacted by General Assembly	Constitution and Statute
Florida	Budget Stabilization Fund (BSF)	An amount equal to at least 5% of the last completed fiscal year's net revenue collections for the General Revenue (GR) fund. Legislature could appropriate more deposits if desired.			Used to cover revenue shortfalls or Governor—declared emergencies	Constitution
Georgia	Revenue Shortfall Reserve	Any funds received in the General Fund over and above the amount expensed for operations during the fiscal year are lapsed to the RSR.		15% of prior year net treasury receipts	1% of prior year revenues are appropriated annually in the mid-term budget for K-12 enrollment growth. The Governor may also include funds from the RSR in his revenue estimate if the total balance of the RSR exceeds 4% of prior year net revenues.	Statute
Hawaii*	Emergency and Budget Reserve Fund (EBRF)	The EBRF receives money from three sources: (1) tobacco settlement monies, (2) appropriations made by the legislature, and (3) 5% of the state general fund balance under conditions established by the Hawaii State Constitution and Section 328L-3, Hawaii Revised Statutes.			2/3 vote of legislature	Statute

Table continued on next page.

Table 14: Budget Stabilization or "Rainy Day" Fund (continued)

State	Fund Name	Funding Source and Method to Determine Deposits	Minimum Size Required	Maximum Size Required	Procedure for Expenditure	Legal Source
Idaho*	Budget Stabilization Fund	If the General Fund receipts exceed the previous year by more than 4%, receipts up to 1% of the actual collections of the previous fiscal year are transferred. Other amounts can be transferred if approved by the legislature.		10% of the total General Fund receipts of the previous fiscal year.	Board of Examiners may approve a transfer to the General Fund if monies are insufficient to meet appropriation.	Statute
	Public Education Stabilization Fund	Discretionary funds appropriated over actual support unit amounts are transferred to PESF. School District Building Acct funds over the distribution amount are also transferred.		Funds over 8.334% of the current fiscal year's total appropriation of state funds for public schools support are transferred to the bond levy equalization fund	Transfer by state controller if appropriated discretionary funds are less than necessary for actual support units; for school building maintenance matching funds; and by the Board of Examiners or legislature if there is a General Fund shortfall.	Statute
	Economic Recovery Reserve Fund	Originally funded with cigarette tax revenue			Legislature must appropriate for meeting General Fund revenue shortfalls, disaster expenses, or one-time tax relief payments to the citizens of Idaho.	Statute
Illinois*	Budget Stabilization Fund	"monies appropriated or transferred to that Fund, as provided in Section 6z-43 [seed money from the Master Tobacco Settlement] and as otherwise provided by law"			State Comptroller may direct transfers to the General Revenue Fund in order to meet cash flow deficits resulting from timing variations between disbursements and the receipt of funds within a fiscal year; any such transfers must be returned by June 30	Statute
Indiana	Economic Stabilization Fund (Rainy Day Fund)	General Fund transfers in and out are determined by the annual growth rate of adjusted personal income.			Funding cannot be spent only transferred to the General Fund based on the annual growth rate of adjusted personal income.	Statute
	Medicaid Contingency and Reserve Account	Appropriations may be made to account and the Budget Agency may transfer excess Medicaid appropriations into the account			Dollars are transferred to Medicaid for expenditure when the Budget Director determines that existing appropriations and/or allotments are insufficient.	Statute
	State Tuition Reserve Fund	Appropriations may be made to account and the Budget Agency may transfer money to the account.			If the Budget Director determines that General Fund revenues are insufficient to fully fund tuition support distributions in the Budget Bill, then this fund may be used to cover the distribution.	Statute
Iowa	Cash Reserve Fund	Previous year's General Fund surplus		7.5% of adjusted revenues for that fiscal year	Appropriations are allowed out of the Cash Reserve Fund if the monies are used for non-recurring emergency expenditure. The appropriation is approved by a simple majority if the Fund is not reduced to below 3% of adjusted revenues. 60% approval is needed if the fund is reduced below 3.75%.	Statute
	Economic Emergency Fund	Excess funds from the Cash Reserve Funds (after the Cash Reserve Fund hits the 7.5% maximum)		2.5% of adjusted revenues for that fiscal year.	Appropriations are allowed for an emergency expenditure in the current fiscal year. Also an appropriation from the fund can occur to reduce a negative ending balance in the General Fund. This is limited to $50.0 million and certain contingencies must be met.	Statute
Kansas*	See footnote.					
Kentucky	Budget Reserve Trust Fund	Surplus revenues and unexpended General Fund appropriations and sometimes, direct appropriations.		5% of actual General Fund receipts collected during the fiscal year just ended.	Prescribed in a budget reduction plan or prescribed non-sum-specific appropriations within budget bills.	Statute
Louisiana	Budget Stabilization Fund	Mineral revenues exceeding $850 million and 25% of nonrecurring revenues up to the cap of the fund.		4% total state revenue receipts for the previous fiscal year less federal disaster assistance. The FY14 cap is $800.68 million.	(1) If the official forecast of recurring money for the next fiscal year is at least 1% less than the official forecast for the current fiscal year; (2) If a deficit for the current fiscal year is projected due to a decrease in the official forecast. Limited to 1/3 of the balance of the fund.	Constitution with further requirements set in statute
Maine	Budget Stabilization Fund	After transfers to the State Contingent Account and the Loan Insurance Reserve Fund, 48% of the General Fund unappropriated surplus remaining after all required deductions of appropriations, budgeted financial commitments and adjustments, is transferred to the Budget Stabilization Fund.	Amounts in the stabilization fund may not be reduced below 1% of total General Fund revenue in the immediately preceding state fiscal year.	Amounts in the stabilization fund may not exceed 12% of total General Fund revenues in the immediately preceding state fiscal year.	Amounts in the stabilization fund may be used to offset a General Fund shortfall, pay death benefits, state valuation adjustments, and emergency management assistance compact transfers.	5 MRSA §1532

Table continued on next page.

Table 14: Budget Stabilization or "Rainy Day" Fund (continued)

State	Fund Name	Funding Source and Method to Determine Deposits	Minimum Size Required	Maximum Size Required	Procedure for Expenditure	Legal Source
Maryland*	Revenue Stabilization Account	Mandated appropriations based on the size of the balance of the fund as a percentage of estimated General Fund revenues. There is an additional mandated appropriation to the account based on the unappropriated surplus as of June 30 of the second preceding year that exceeds $10 million.			The Governor may transfer amounts in excess of 5% of estimated General Fund revenues as specifically authorized in the State Budget. If a transfer would result in a balance that was less than 5% of estimated General Fund revenues, the transfer must be authorized by an act of the General Assembly.	Statute
Massachusetts	Commonwealth Stabilization Fund	Year-End Surplus & Excess Capital Gains Revenue		15% of Annual Revenue	Requires Legislative Authorization	Statute
Michigan*	Countercyclical Budget and Economic Stabilization Fund	General fund deposits may be triggered by annual growth in Michigan personal income or by legislative action to increase the Rainy Day fund balance. All deposits require an appropriation.		Balance may not exceed 10% of the combined general fund and school aid fund revenue for the fiscal year.	Withdrawals/expenditures may be triggered by a decline in Michigan personal income, an unemployment rate of 8% or more, a balance in excess of the statutory limit, or by legislative action to support state programs and services. All expenditures require an appropriation.	Statute
	School Aid Stabilization Fund (SASF)	Deposits include any remaining unreserved fund balance in the School Aid Fund at year-end; money statutorily dedicated to the SASF; and money appropriated to the SASF.			State law provides for an appropriation from the SASF when School Aid Fund appropriations exceed School Aid Fund revenues	Statute
Minnesota	Budget Reserve Account	The reserve is a bookkeeping account in the general fund. Deposits to the account occur from legislative action and a deposit rule that allocates 1/3 of a November forecast balance to the budget reserve.		Based on total general fund revenues and volatility of tax structure. $1.9 billion for FY 2014-15.	Minnesota Management Budget with the approval of the Governor and after consulting the Legislative Advisory Council. The legislature may also authorize its use.	Statute—Minnesota Statutes 16A.152
	Cash Flow Account	The cash flow account is a bookkeeping account in the general fund funded by one-time appropriations.		Set in statute at $350 million	Legislative action is required to reduce amounts in the account. Used if needed to meet cash flow deficiencies resulting from uneven distribution of revenue collections and required expenditures during a fiscal year.	Statute (Minnesota Statutes 16A.152)
Mississippi*	Working Cash Stabilization Reserve Fund	General Funds/Ending Cash Transfers and/or Appropriation		7.5 Percent of General Fund Appropriation	Appropriation, Cover projected deficits except for $40m	Miss. Code Ann. § 27-103-203 (2013)
Missouri	Budget Reserve Fund	General Revenue—The fund must have 7 1/2% of the net general revenue collections for the previous fiscal year. The fund also collects interest on the balance.	7 1/2% of net general revenue collections for the previous fiscal year.	10% of net general revenue collections for the previous fiscal year, with legislative approval.	The Governor may determine a shortfall or disaster and then request action by the legislature. The legislature may authorize an emergency appropriation out of the fund with a two-thirds majority. Only one-half of the fund may be used for rainy day or disaster purposes.	Constitution
Montana						
Nebraska	Cash Reserve Fund	Primarily General Fund receipts in excess of a certified consensus revenue forecast for a fiscal year			None are made directly from the Cash Reserve Fund. Transfers out of the Cash Reserve Fund to be used for expenditure from another fund are only at the direction of the Legislature.	Statute
Nevada*	Account to Stabilize the Operation of the State Government	At the close of the fiscal year, subtract 7 percent of General Fund (GF) balance from the ending GF balance, then transfer 40% of the remainder to the stabilization fund.		Stabilization balance must not exceed 20% of the operational appropriations from the General Fund.	If a) Actual revenue is 5% or more less than budgeted; or b) the Legislature or Legislative Interim Finance Committee (IFC) and the Governor declare a fiscal emergency, the Executive Branch can ask IFC. In addition, the Legislature may allocate stabilization funds "to be used for any other purpose"	Statute
New Hampshire*	Revenue Stabilization Reserve Account	At the close of each fiscal biennium, any general fund surplus as determined by the official audit pursuant to RSA 21-I:8, II(a) shall be transferred to the special revenue stabilization reserve account, which is a general fund, non- lapsing general ledger account.		Any single fiscal year transfer of general fund surplus to the revenue stabilization reserve account cannot exceed 5% of the actual general fund unrestricted revenues for the most recently completed fiscal year.	See footnote.	Statute
New Jersey*	Surplus Revenue Fund	50% of amount by which actual General Fund revenue exceeds anticipated revenues added to the fund, subject to statutory adjustments.			The Governor certifies to the Legislature that revenues are estimated to be less than certified. The Legislature appropriates the funds. Also, if the Governor declares an emergency and the Legislature approves.	Statute

Table continued on next page.

Table 14: Budget Stabilization or "Rainy Day" Fund (continued)

State	Fund Name	Funding Source and Method to Determine Deposits	Minimum Size Required	Maximum Size Required	Procedure for Expenditure	Legal Source
New Mexico	Appropriation Contingency Fund	General Fund revenues from a variety of sources			Subject to appropriation by the Legislature	Statute
New York	Tax Stabilization Reserve Fund	General Fund surplus at end of fiscal year, provided that such amount to be transferred shall not exceed 0.2 percent of the General Fund norm.		The reserve fund shall not increase to an amount in excess of 2 percent of General Fund norm.	Transfer to the General Fund to finance a cash basis operating deficit.	Statute
	Rainy Day Reserve Fund	Transfers from the General Fund		Not to exceed 5 percent of the amount projected to be disbursed from the General Fund.	The Fund may only be used to meet General Fund financial plan shortfalls attributable to economic downturns or to finance expenses related to catastrophic events.	Statute
North Carolina	Savings Reserve Account	General Fund Unreserved Balance	1/4 of Credit Balance	8% of the amount appropriated	The Controller shall reserve to the Savings Reserve Account one-fourth of any unreserved fund balance, as determined on a cash basis, remaining in the General Fund at the end of each fiscal year.	143C-4-2
North Dakota	Budget Stabilization Fund	After the biennial budget is set, the amount that would bring the BSF up to its maximum amount is transferred to the BSF from the General Fund.		10% of appropriated general fund expenditures.	Actual revenues must be 2.5 percent below forecast before the Governor can access the BSF.	Statute
	Foundation Aid Stabilization Fund	10% of the Oil Extraction Taxes			If revenues fall below forecast, foundation aid, transportation aid for schools and special education are made whole by a transfer from this fund.	Constitution
Ohio	Budget Stabilization Fund	Transfers from the general revenue fund		Up to 5% of total prior year receipts deposited into the general revenue fund	Legislative action is necessary for expenditure	Statute
	Medicaid Reserve Fund	Transfers from the general revenue fund			Legislative action or Controlling Board approval is necessary for expenditure	Statute
Oklahoma	Constitutional Reserve Fund	Actual revenue collections in excess of 100% of the estimate.		15% of the prior year General Revenue collections.	3/8—current year shortfall 3/8—next year shortfall 1/4—emergency approved by 2/3 vote of the Legislature & Governor	Constitution
Oregon*	Rainy Day Fund	1% of GF appropriations in previous biennium from ending balance to the RDF. If the ending balance does not equal or exceed 1% of the amount of GF appropriations, an amount equal to the ending balance shall be transferred to the RDF. Plus dedicated portion of Corp. Taxes.		Cap of 7.5 percent of General Fund revenue in the previous biennium	3/5 vote of legislature if certain revenue or economic conditions are met. Can spend up to 2/3 of balance in a biennium.	Statute
	Education Stability Fund	Funding source is 18% of net lottery proceeds.		Cap of 5 percent of General Fund revenue in previous biennium.	3/5 vote of legislature if certain revenue or economic conditions are met, or 3/5 vote of legislature and Governor declares emergency.	Constitution and statute
Pennsylvania	Budget Stabilization Reserve Fund	Revenue to the Budget Stabilization Reserve Fund is provided through an annual transfer of 25 percent of the General Fund fiscal year ending surplus.		If the fund's ending balance would equal or exceed six percent of actual General Fund revenues for the fiscal year in which the surplus occurs, the General Fund transfer would be reduced to ten percent.	2/3 legislative vote with the Governor's request	Statute
Rhode Island	Budget Reserve and Cash Stabilization Fund	Three percent (3.0%) of general revenues are deposited to the Rainy Day Fund. Calculated as part of the annual audit.		Five percent (5.0%) of general revenue resources.	Funds may be appropriated from the Rainy Day Fund by the General Assembly, but must be paid back in the following fiscal year.	Constitution
South Carolina	General Reserve	General Fund revenue collections. One time transfer at the beginning of the next fiscal year.	5% of revenues for the most recently completed fiscal year.		Used only in event of statewide General Fund deficit, after completely eliminating the State's 2% Capital Reserve.	Constitution and Statute
	Capital Reserve	General Fund revenues of the budgeted year. One time transfer at the beginning of the fiscal year.	2% of general fund revenues for the most recently completed fiscal year.		Appropriations are set aside until end of fiscal year. This reserve must first be applied towards a year-end operating deficit, if necessary. The residual may then be appropriated for capital related and nonrecurring expenditures in the next fiscal year.	Constitution and Statute
South Dakota	Budget Reserve fund	Automatic deposit of any unspent general funds at year end.		5% of General Fund in prior year's General Appropriations Act	Legislative appropriation	Statute
Tennessee	Reserve for Revenue Fluctuations	Ten percent of state tax revenue growth allocated to General and Education Fund.			Appropriations guided by statute if there is a revenue shortfall.	Statute

Table continued on next page.

Table 14: Budget Stabilization or "Rainy Day" Fund (continued)

State	Fund Name	Funding Source and Method to Determine Deposits	Minimum Size Required	Maximum Size Required	Procedure for Expenditure	Legal Source
Texas	Economic Stabilization Fund	Transfer to the economic stabilization fund one-half of any unencumbered positive balance of general revenues on the last day of the preceding biennium.		During each fiscal biennium, the amount in the economic stabilization fund may not exceed an amount equal to 10 percent of the total amount, excluding investment income, interest income, and amounts borrowed from special funds, deposited in general revenue during the preceding biennium.	Legislature may appropriate the fund for any purpose if two-thirds vote of the members present	Article III Section 49-g
Utah	General Fund Budget Reserve Account	General Fund automatic transfers of 25% of year-end surplus, plus any repayments		Up to 8% General Fund Appropriation threshold for automatic surplus transfers	Must be appropriated by the Legislature and approved by the Governor	Statute
	Education Fund Budget Reserve Account	Education Fund (primarily income taxes), automatic transfers of 25% of year-end surplus, plus any repayments		Up to 9% General Fund Appropriation threshold for automatic surplus transfers	Must be appropriated by the Legislature and approved by the Governor	Statute
	Medicaid Growth Reduction and Budget Stabilization Account	General Fund automatic surplus transfer, subject to certain conditions related to Medicaid growth			Must be appropriated by the Legislature and approved by the Governor	Statute
Vermont *	Budget Stabilization Reserve	General Fund—capped at 5% of prior year appropriations.			Automatic when deficit occurs at year end.	Statute
	Balance Reserve	Determined by the Emergency Board			Laid out in statute.	Statute
Virginia	Revenue Stabilization Fund	15% of average annual revenue form individual, corporate and retail sales taxes for the prior 3 years.		Capped at 15% of average annual revenue form individual, corporate and retail sales taxes for the prior 3 years.	Legislative appropriation	Constitution (Article X Section 8)
Washington	Budget Stabilization Account	One percent of general state revenues and Investment income			Requires majority vote of Legislature if: 1) forecasted state employment growth is less than 1%; or 2) the Governor declares an emergency resulting from an event that requires action to protect life/public safety. Other withdrawals may be made by 3/5ths vote of Legislature, ratified by voters.	Statute (RCW 43.79.490)
West Virginia	Revenue Shortfall Reserve Fund	The first 50% of all General Revenue surplus at the end of each fiscal year (up to 13% of General Revenue appropriations for the fiscal year just ended). Also funded from investment earnings.		If fund reaches 13% of General Revenue appropriations for the fiscal year just ended then there is no further deposit required.	Legislature is authorized to make appropriations from the fund for revenue shortfalls, emergency revenue needs caused by acts of God or natural disasters or for other fiscal needs as determined solely by the Legislature.	Statute
	Revenue Shortfall Reserve Fund—Part B	Consists of monies transferred from the WV Tobacco Settlement Medical Trust Fund and all interest and other return earned on the monies invested.			No funds may be expended from this fund unless all monies in the Revenue Shortfall Reserve Fund have first been expended—then only for revenue shortfalls, emergency revenue needs caused by acts of God or natural disasters or for other fiscal needs as determined solely by the Legislature.	Statute
Wisconsin	Budget Stabilization Fund	Fifty percent of unanticipated revenues			Legislative Appropriation	Statute
Wyoming	Budget Reserve Account				Legislative Appropriation	
	Legislative Stabilization Reserve Account				Legislative Appropriation	
District of Columbia*	Fiscal Stabilization Reserve Fund	From uncommitted unassigned funds at year-end	2.34 percent of adjusted expenditures		May be used by the Mayor, as certified by the Chief Financial Officer, with approval of the Council by act.	Statute
	Cash Flow Reserve Fund	From uncommitted unassigned funds at year-end	8.33 percent of operating budget		By the Chief Financial Officer to cover cash-flow needs.	Statute

* See Notes to Table 14 on page 80.

Table 14: Additional Details and Notes

Notes to Table 14

Alaska	The Constitutional Budget Reserve Fund (CBRF) was established November 6, 1990 when voters approved adding Section 17 to Article IX of the Constitution of the State. The entire Permanent Fund and Earnings Reserve is managed as a single investment pool, and is invested in a range of assets including stocks, bonds and real estate. However, for accounting purposes it is divided into two parts: principal (the non-spendable funds) and the earnings reserve (assigned funds). The Alaska Constitution says that the principal may not be spent. The earnings in the earnings reserve may be spent by the Legislature for any public purpose, including the Permanent Fund Dividend distribution. The earnings reserve contains both realized earnings from all of the investments, and unrealized gains on assets in the portion of the fund that is accounted for in the earnings reserve. Alaska Constitution § 15. Alaska Permanent fund "At least twenty-five per cent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments. All income from the permanent fund shall be deposited in the general fund unless otherwise provided by law." [Amended 1976]
Arkansas	Funds from the General Revenue Allotment Reserve are transferred to the General Improvement Fund, along with ½ of interest collected on the state's treasury balances to be utilized to finance capital needs for state agencies. During the biennial and fiscal sessions, funds can be appropriated directly from these surplus accounts through the Supplemental budget process.
Hawaii	Although not formally established as a budget reserve fund, the Hawaii Hurricane Relief Fund has also been used as a de facto budget reserve fund.
Idaho	Idaho also has a Higher Education Stabilization Fund created in statute; Funding Source—Interest earnings from investment money, legislative transfers and/or appropriations; Procedure for expenditure—Appropriation for the maintenance, use, and support of higher education institutions.
Illinois	No new money has been added to Illinois' Budget Stabilization Fund since fiscal year 2004. A statutory provision exists for surplus revenues to be transferred to the Budget Stabilization Fund and the Pension Stabilization Fund, but no such transfers have ever occurred since that law took effect in 2004.
Kansas	Kansas has a statutory requirement that the enacted budget leave an uncommitted balance of 7.5 percent of expenditures in the SGF, which serves as the rainy day or stabilization fund.
Maryland	If the balance is below 3%, $100 million is required. If the balance is between 3% and 7.5%, $50 million is required

Notes to Table 14 (continued)

Michigan	Under state law, the Consensus Revenue Estimating Conference is required to include the calculation of Rainy Day fund pay-in and pay-out amounts as part of the consensus forecast. The calculations are based on statutory formulas, advisory only, and subject to appropriation.
Mississippi	Miss. Code Ann. § 27-103-213 (2013) provides the order of distribution to certain funds of unencumbered cash balances in the General Fund at the close of each fiscal year.
Nevada	Starting with fiscal 2016, the funding rule changes to deposit, after the close of the previous fiscal year, 1 percent of the budgeted revenue for the current fiscal year. http://www.leg.state.nv.us/NRS/NRS-353.html#NRS353Sec288
New Hampshire	In the event of a general fund operating fund deficit at the close of any fiscal biennium, as determined by the official audit pursuant to RSA 21-I:8, II(a), the comptroller shall notify the fiscal committee of the general court and the governor of such deficit and request that sufficient funds, to the extent available, be transferred from the revenue stabilization reserve account to eliminate such deficit. There are two conditions, both of which must occur for the request to be approved. They are that: 1.) A general fund operating budget deficit occurred for the most recently completed fiscal biennium; and 2.) Unrestricted general fund revenues in the most recently completed fiscal biennium were less than the budget forecast. The amount of the transfer shall not exceed a sum equal to the lower of the amount of the deficit in subparagraph 1 above or the revenue shortfall in subparagraph 2 above.
New Jersey	Since fiscal year 2013, the annual Appropriations Act has included a provision overriding this statute to allow the State to return amounts that would otherwise be deposited in the Surplus Revenue Fund back to the General Fund.
Oregon	The Education Stability Fund is restricted to uses related to education and economic development.
Vermont	Budget Stabilization Reserve—32 V.S.A. § 308 Balance Reserve—32 V.S.A. § 308c—is also known as "the rainy day reserve".

Table 15: Unexpected Natural or Manmade Disaster Funds

State	Fund Name	Dollar amount in fiscal 2014	Who is authorized to allocate funds?	Purpose for fund use	Unexpended funds carried forward	Transfer appropriations to respond to disaster
Alabama*	Finance—FEMA	$5.3 million	Governor	Natural Disaster	Yes	
	Public Safety Emergency Code	$80,782	Governor	Public Safety	Yes	
	Military Emergency Active Duty	$832,603	Governor	Public Safety	Yes	
Alaska*	Disaster Relief fund	$14 million	Military and Veterans Affairs	Natural Disaster	Yes	X
Arizona*	Governor's Emergency Fund	$4 million	Governor and the Governor's Emergency Council	Natural Disasters, Invasions or Insurrections	Yes	
	Fire Suppression Fund	$4 million	Governor and State Forester	Fighting Wildland Fires	Yes	
Arkansas	Disaster Response/Disaster Recovery/Hazard Mitigation/ Catastrophic Loss	$13.25 million	Governor	Natural Disaster, Public Safety, and Other	Yes	X
California	Special Fund for Economic Uncertainties	$1.071 billion	Director of Finance	Disaster Relief	Yes	X
Colorado*	Disaster Emergency Fund	$6.0 million (as of June 30, 2014)	The Governor	Natural Disasters declared by executive order to be emergencies	Yes	X
Connecticut	Governor's Contingency Account	$1	Governor	Emergency	No	
Delaware						X
Florida*	None other than Budget Stabilization fund (BSF), unallocated General Revenue fund (GR) and Trust Fund Balances and funds in the Lawton Chiles Endowment Fund.					X
Georgia	Governor's Emergency Fund	$15.80 million	Governor	Other—Governor's Discretion	No	
Hawaii	Major Disaster Fund	$500,000	Governor	Natural Disaster, Other (emergency and to match federal disaster relief funds)	No	X
	Firefighter's Contingency Fund	$470,658	Dept. of Land and Natural Resources (DLNR)	Natural Disaster, Other (for all reimbursable expenses in controlling or extinguishing a fire by the DLNR)	No	
Idaho*						
Illinois*	Disaster Response and Recovery Fund	$5.14 million	IL Emergency Management Agency	Natural Disaster	Yes	X
	Federal Aid Disaster Fund	$5.53 million	IL Emergency Management Agency	Natural Disaster	Yes	
Indiana*	Emergency Management Contingency Fund	$340,479	Under $100,000 = Budget Director. Over $100,000 = Governor	Broad emergency management	Yes	X
	Governor's Civil and Military Contingency Fund	$122,685	Governor	To pay the expenses of all encampments ordered or approved by the governor, inspections, courts-martial, boards of inquiry, inspection, examination, and survey, and pay of officers and soldiers on active duty.	This fund reverts to the General Fund at the end of every biennium.	
	State Disaster Relief Fund	$515,597	Governor	Individual Assistance and Public Assistance	Yes	
Iowa*						
Kansas*	State Emergency Fund		State Finance Council		Yes	X
Kentucky	Budget Reserve Trust Fund or General Fund Surplus Account	$5 million	Secretary of the Finance and Administration Cabinet and State Budget Director approve amount of funds made available; Department for Military Affairs approves the specific expenditure of these funds.	Expenditures as a result of the Governor's statutory declaration of emergency, the Governor's call of the Kentucky National Guard to active duty, and funds required to match federal aid in the event of a presidentially declared disaster or emergency.	No	
Louisiana*	Interim Emergency Board	$1.76 million	Legislature	Natural Disaster, Public Safety, and Other	Yes	
Maine*	State Contingent Account	$85,000	Governor	Institutions, construction, purchase of real estate, emergencies, Maine community colleges, promotion of Maine, job development training and retention, early childhood investments, and claims approved by the State Claims Commission.	Yes	X
	Final Reserve for Future Funding Needs	$20 million	The Legislature	For future funding needs	Any remaining balance at the close of fiscal year ending June 30, 2015 must be transferred to the Budget Stabilization Fund.	

Table continued on next page.

Table 15: Unexpected Natural or Manmade Disaster Funds (continued)

State	Fund Name	Dollar amount in fiscal 2014	Who is authorized to allocate funds?	Purpose for fund use	Unexpended funds carried forward	Transfer appropriations to respond to disaster
Maryland*	Catastrophic Event Account	$172,000	Governor	Natural disaster or other catastrophic event	Yes	X
Massachusetts						
Michigan*	Disaster & Emergency Contingency Fund	$2.5 million	Department of State Police	Natural disaster, human-made disaster, to save lives, to protect property, for public health and safety, to lessen/avert threat of catastrophe.	Yes	
Minnesota*	Disaster Relief Contingency Account	$3 million	Department of Public Safety	Natural disaster	Yes	
Mississippi*						
Missouri*	Budget Reserve Fund	$269.82 million	Governor and General Assembly	Natural Disaster, Public Safety	Yes	
	Missouri Disaster Fund	Federal pass through only	Governor, State Emergency Management Agency	Natural Disaster, Public Safety	No	
Montana	General Fund	$16 million	Governor	Natural Disaster, Public Safety, Other	Yes	X
	Fire Suppression Fund	$42.5 million	Budget Agency	Fire Suppression	Yes	
Nebraska	Governor's Emergency Fund		Governor	Natural Disaster, Public Safety	Yes	
Nevada*	Disaster Relief Account		Legislative Interim Finance Committee	Natural disaster, public safety or other occurrence which "Results in, or may result in, widespread or severe damage to property or injury to or the death of persons in this State"	Yes	
New Hampshire	Governor's Contingency Fund	0	Governor	Natural disaster, Other	No	
New Jersey*	Emergency Services Fund	N/A	Governor, based on recommendations of the Governor's Advisory Council for Emergency Services	Natural Disaster, Public Safety	Yes	X
New Mexico	Appropriation Contingency Fund	$40 million	Governor	Natural Disaster, Public Safety	Yes	X
New York*	The Division of Military and Naval Affairs State Operating Fund	$27 million	The Division of Military and Naval Affairs	Natural Disaster, Public Safety and Emergency Management	Yes	X
	The Division of Homeland Security and Emergency Services State Operating Fund	$63 million	Division of Homeland Security and Emergency Services	Natural Disaster, Public Safety, and Emergency Management	Yes	
North Carolina	Disaster Relief Fund	$14.99 million	Governor	Natural Disaster	Yes	X
North Dakota	Disaster Relief Fund	$89 million	Legislature; Emergency Commission and Budget Section outside of a Legislative Session	To defray expenses of state disasters including funds required to match federal funds associated with presidential declared disaster in the state.	Yes	
Ohio*	Controlling Board Emergency Purposes	$33.4 million	Controlling Board	Natural Disaster, Public Safety, Other	No	
	Disaster Services	$21.5 million	Controlling Board	Natural Disaster, Public Safety	No	
Oklahoma	State Emergency Fund	$17.5 million	Governor	Broad statutory language encompassing emergency situations	Yes	
Oregon*	Emergency Fund	$30 million	Emergency Board, Legislature	Natural Disaster, Public Safety, Other	No	
Pennsylvania*			Governor	Natural Disaster, Public Safety, Other	Yes	X
Rhode Island	Governor's Contingency Fund	$250,000	Governor	For unforeseen expenses or non-recurring items of an unusual nature	Governor may authorize the carry forward of contingency funds, but it is not automatic.	
South Carolina	Contingency Reserve Fund	$31.7 million	Legislature, B&C Board	Natural Disaster, Public Safety, and Other.	Yes	
South Dakota*	Special Emergency and Disaster Special Emergency Revenue Fund	$-3.6 million	Secretary of Department of Public Safety	Natural Disaster, Public Safety	Yes	X
Tennessee	Reserve for Disaster Relief	$33.6 million	Budget Director	Natural Disaster and Public Safety	Yes	X
Texas	Disaster Funds	$67.6 million	Governor's Office	Natural Disaster, Public Safety, and/or Other	Yes	X
Utah	Disaster Recovery Restricted Account	$20 million (approx.)	Legislature, by appropriation	Natural Disaster	Yes	
Vermont *	Emergency Relief and Assistance Fund	$3.352 million	Secretary of Administration	Natural Disaster	Yes	
Virginia*	Disaster Planning & Operations	$33.1 million obligations	Governor	Written authorization of Governor	Yes	X

Table continued on next page.

Table 15: Unexpected Natural or Manmade Disaster Funds (continued)

State	Fund Name	Dollar amount in fiscal 2014	Who is authorized to allocate funds?	Purpose for fund use	Unexpended funds carried forward	Transfer appropriations to respond to disaster
Washington	Disaster Response Account	$43 million	Military Dept (Emergency Management)	For support of state agency and local government disaster response and recovery efforts and to reimburse the workers' compensation funds and self-insured employers under RCW 51.16.220.	Yes	
West Virginia	Governor's Contingency Fund	$22 million	Governor	Natural Disaster, Public Safety, any other purpose at the discretion of the Governor	Yes	X
	Income Tax Refund Reserve Fund	$11 million	State Tax Commissioner	Other—payment of timely Personal Income Tax Refunds	Yes	
Wisconsin						
Wyoming	Special Contingent Fund	$550,000	Governor	Natural Disaster, Public Safety, Other		
District of Columbia*	Emergency Cash Reserve Fund	$112.1 million	Mayor, after submitting request to Chief Financial Officer for analysis	Unanticipated and nonrecurring extraordinary needs of an emergency nature, including a natural disaster or calamity, as defined by Public Law 100-707) or unexpected obligations by Federal law, or a declared State of Emergency	Yes	
	Contingency Cash Reserve Fund	$227.4 million	Mayor, after submitting request to Chief Financial Officer for analysis	Nonrecurring or unforeseen needs, including expenses associated with unforeseen weather or other natural disasters, unexpected obligations created by Federal law or new public safety or health needs or requirements identified after the budget process, or opportunities to achieve cost savings	Yes	
Total						**23**

* See Notes to Table 15 on page 85.

Table 15: Additional Details and Notes

Notes to Table 15

Alabama The Finance—FEMA appropriation is open-ended, meaning the amount necessary is available for expenditure in that fiscal year. It can only be used for a natural disaster area declared by the President of the United States and the requirement of a state match. The Military Emergency Active Duty is also an open-ended appropriation and is used when the National Guard is called into active military service of the State by the Governor.

Alaska The Disaster Relief Fund is capitalized each year with General Funds. Whatever federal funds may be received are also appropriated to the Fund and any additional funds needed are appropriated during the supplemental process. Therefore, the actual fiscal 2014 amount is not known until the year is over.

Arizona For any single declared emergency, the Governor may allocate up to $200,000 of the emergency money for that emergency. Subsequent money for that emergency must be authorized by the Governor's Emergency Council (select cabinet directors). Once money has been allocated to an emergency, that money does not lapse or revert, even if unexpended. Of the annual $4,000,000 available for emergencies, any amount not allocated to an emergency during the year reverts to the general fund at the end of the year. Likewise, the annual appropriation for the Fire Suppression Fund can be carried forward if it has been allocated to a fire emergency, even if it has not been expended.

Colorado The $6.0 million referenced above is the unencumbered, unobligated balance in the fund. The cash balance in the fund is substantially higher. It is also noteworthy that the Governor may tap other reserves to add revenues into the Disaster Emergency Fund. Presently, at least $68.3 million in other reserves is immediately available for transfer to cope with natural disasters.

Florida Section 252.37, Florida Statutes authorizes such transfers.

Idaho See Economic Recovery Reserve Fund in Table 14.

Illinois The Governor has authority to direct cash transfers to the Disaster Response and Recovery Fund if the General Assembly is not in session, and regular agency appropriations are insufficient. If the General Assembly is in session, the Governor must request legislative action.

Indiana In addition to these 3 funds, a $1 annual appropriation is made for Public Assistance. This amount may be augmented by the Budget Director as needed.

Iowa The state of Iowa does not have a specific fund to pay for natural or man-made disasters. Instead, the state has a standing unlimited appropriation from the Economic Emergency Fund available to the Executive Council to pay for expenses incurred by the state involving fire, storm, theft, or unavoidable injury, aiding local governments in natural disasters, paying for suppressing an insurrection or riot, and other specific areas.

Notes to Table 15 (continued)

Kansas	The State Finance Council (Governor + 8 leaders of the Legislature) may authorize up to $10 million in any single year which are directly related to a severe weather-related state of disaster emergency declared by the Governor. The $10 million is transferred from the State General Fund to the State Emergency Fund upon the Budget Director's certification once the Council provides unanimous endorsement. The Emergency Fund may also be used for rewards for wanted criminals.
Louisiana	The board's recommendation must be approved by majority vote of both houses of the legislature via ballot vote. The legislature can approve use of the funds for any emergency as defined by statute, not limited to natural disasters or public safety.
Maine	Both the Budget Stabilization Fund and the State Contingent Account may transfer funds in the event of an emergency.
Maryland	Review and comment is required by the Legislative Policy Committee of the General Assembly.
Michigan	State law sets an upper limit fund balance of $4.5 million for the Disaster and Emergency Contingency Fund. The statute also provides an upper limit of assistance to a local unit of $100,000, or 10% of the unit's total annual operating budget for the preceding fiscal year, whichever is less.
Minnesota	Minnesota has a number of open appropriations to respond to various disasters. They include: a Minnesota National Guard Emergency open appropriation that is authorized by the Governor and an emergency firefighting open appropriation authorized by the Department of Natural Resources. Contingent accounts exist in several state funds to provide supplemental funding for emergencies and other legally authorized purposes. The release and expenditure of funding in the contingent accounts require the approval of the Governor after consultation with the Legislative Advisory Commission (LAC). The Department of Revenue is also authorized to advance local government aid to cities impacted by a natural disaster.
Mississippi	If funds are immediately needed The Mississippi Emergency Management Assistance agency may requests a transfer of $500,000 for each disaster occurrence up to a maximum of $2m during any fiscal year.
Missouri	The state has appropriation authority for general revenue spending for natural disasters of 1) to call out the National Guard ($4,000,001), 2) for state agency costs related to responding to disasters ($3,455,010); and 3) for matching federal grants and for emergency assistance ($12,543,999).
Nevada	Disaster Relief Account http://www.leg.state.nv.us/NRS/NRS-353.html#NRS353Sec2705
New Jersey	There is no applicable dollar amount in the fund because the amount is fluid throughout a given year. This fund acts as a conduit for disaster related expenditures as monies flow to and from on a daily basis, most of which are reimbursed by the federal government. The remaining amounts are covered via transfers from the State's General Fund.
New York	In addition to operating funds listed above, there is additional emergency appropriation authority (no cash budgeted) available to respond to acts of terrorism, disasters, or other emergencies if necessary.

Notes to Table 15 (continued)

Ohio	In addition to being used for natural disasters and public safety issues, the Controlling Board Emergency Purposes may be used for judgments and settlements, for example, wrongful imprisonment lawsuits. Cash balance in emergency funds does not necessarily equate to what is available to be spent as funds are designated or obligated when disasters are declared.
Oregon	$30 million is the General Purpose Emergency Fund for the 2013-15 biennium. Excludes employee compensation and other special purpose appropriations or reservations. Any unused amount reverts to the General Fund at the end of the biennium.
Pennsylvania	The Governor has the authority to annually transfer up to $12 million from unexpended General Fund appropriations to disaster authorization line item specific to each disaster when a disaster has been formally declared. Unused authority does not carry forward to the next fiscal year, but specific disaster authorizations may carry forward until fully expended.
South Dakota	This is a fund which is used to pay for costs associated with emergencies and natural disasters in South Dakota. Traditionally this fund is spent to a negative balance and then backfilled with a special appropriation during legislative session.
Vermont	The Emergency Board may authorize expenditures to avert emergencies, and low interest loans and grants to municipalities and persons whose property is damaged by natural disasters. Funds may be used as state match for federal FEMA grants.
Virginia	Any appropriation authorized by this item shall be transferred to state agencies for payments of eligible costs according to written directions of the Governor or by such person or persons as may be designated by him for this purpose.
District of Columbia	Amounts are as of the end of FY 2013, i.e. the beginning of FY 2014. Executive cannot on its own transfer other appropriations to respond to an emergency, but budget could be reprogrammed via the standard practice, requiring legislative approval if over $500,000. Both funds may also be used for short-term cash flow needs, but any such uses must be replenished in the same fiscal year.

Table 16: Use of General Fund Budget Surplus

State	Transfer to budget stabilization or "rainy day" fund	Remain in general fund	Refund to taxpayers	Earmarked	Pay down outstanding debt	One-time expenditures	Other**
Alabama*	X	X					
Alaska*	X	X	X	X	X	X	X
Arizona		X					
Arkansas						X	
California*	X	X			X	X	
Colorado		X					X
Connecticut*	X				X		
Delaware		X				X	X
Florida		X					
Georgia	X						
Hawaii*	X	X	X				
Idaho*	X	X				X	
Illinois*		X					
Indiana*		X	X		X		
Iowa*	X						
Kansas		X					
Kentucky	X	X					
Louisiana	X				X		X
Maine*	X	X	X	X	X	X	
Maryland*		X					
Massachusetts	X						
Michigan*		X					
Minnesota*	X	X					
Mississippi	X						X
Missouri*	X	X					
Montana		X		X			
Nebraska	X	X					
Nevada*	X	X				X	
New Hampshire	X	X					
New Jersey		X					
New Mexico	X					X	
New York*		X		X			
North Carolina		X					
North Dakota	X	X				X	
Ohio*	X		X				X
Oklahoma	X	X					
Oregon*	X	X	X				
Pennsylvania*	X	X					
Rhode Island		X					X
South Carolina	X	X		X	X	X	X
South Dakota	X						
Tennessee		X					
Texas*	X	X			X		
Utah	X	X			X	X	
Vermont*	X	X	X	X	X	X	
Virginia		X					
Washington	X	X				X	
West Virginia	X	X				X	
Wisconsin		X					
Wyoming	X						
District of Columbia	X	X					
Totals	**32**	**39**	**7**	**6**	**10**	**14**	**8**

* See Notes to Table 16 on page 89.
** For states that responded "Other" see descriptions on page 89.

Table 16: Additional Details and Notes

Other Use of General Fund Surplus

Alaska Constitutional or Statutory Budget Reserve

Colorado General Fund surpluses are handled on a year-to-year basis—there is no law in place governing the disposition of any surplus.

Delaware By State Constitution, a portion of the unencumbered surplus at the end of the fiscal year must be dedicated to the Budget Reserve Account.

Louisiana Payments against the unfunded accrued liability of the retirement systems; capital outlay projects in the comprehensive state capital budget; deposit into the Coastal Protection and Restoration Fund; new highway construction for which federal matching funds are available.

Mississippi Miss. Code Ann. § 27-103-213 (2013) provides the order of distribution to certain funds of unencumbered cash balances in the General Fund at the close of each fiscal year.

Ohio In the past, a surplus has been used for one-time expenditures, one-time transfers, and it has remained in the general revenue fund.

Rhode Island Revenues that exceed enacted estimates are transferred to the State Employee's Retirement Fund. Unspent appropriations remain in the general fund and are available for appropriation in the succeeding budget year.

South Carolina Available for appropriation at the discretion of the Governor and Legislature during the subsequent budget cycle.

Notes to Table 16

Alabama For the State General Fund, any surpluses become part of the beginning balance for the next fiscal year. For the Education Trust Fund, any surplus is first used to pay back any balances owed to the ETF Rainy Day Account, then after the Account is repaid in full, the excess revenues go into the Budget Stabilization Fund and the Capital Fund.

Alaska Budget surplus is swept into the Constitutional (CBR) or Statutory Budget Reserve (SBR). In recent years, surplus has also been used to capitalize other funds such as the Alaska Capital Income Fund.

California The transfer to the Budget Stabilization Account may be suspended by the Governor.

Notes to Table 16 (continued)

Connecticut	Unappropriated surpluses after the books have closed for the fiscal year are deposited to the Budget Reserve Fund up to a 10 percent maximum. Any surplus beyond that amount would then be directed to the State Employee Retirement Fund until the fund reaches 5 percent of the unfunded past service liability according to the most recent actuarial valuation certified by the Retirement Commission. Any further surplus funds are to be used to reduce bonded indebtedness.
Hawaii	The EBRF receives money from three sources: (1) tobacco settlement monies, (2) appropriations made by the legislature, and (3) 5% of the state general fund balance under conditions established by the Hawaii State Constitution and Section 328L-3, Hawaii Revised Statutes.
Idaho	Money is transferred to the Budget Stabilization Fund per formula.
Illinois	A statutory provision exists for surplus revenues to be transferred to the Budget Stabilization Fund and the Pension Stabilization Fund, but no such transfers have ever occurred since that law took effect in 2004.
Indiana	We define surplus as current year revenues minus current year expenses. Surpluses are added to the state's combined General Fund reserve balances. After fiscal year close out of odd numbered years, a calculation of excess reserve balances is made. This calculation may trigger a refund to taxpayers and a transfer to pensions. In addition, surpluses and reserves are occasionally used to pay down outstanding debt.
Iowa	If the General Fund has a surplus at the end of a fiscal year, in the subsequent fiscal year, the surplus first goes to the Cash Reserve Fund. When that fund is at its statutory limit, the remaining amount is then transferred to the Economic Emergency Fund. When that fund is at its statutory limit, the remaining amount goes back to the General Fund.
Maine	The Tax Relief Fund for Maine Residents was created to reduce the individual income tax rates. If sufficient funds exist in the fund, reductions must be a minimum of 0.2 percentage points in the first year in which reductions are made and a minimum of 0.1 percentage points in subsequent years. If sufficient funds are not available to pay for the minimum reduction, a rate reduction may not be made until the amount in the fund is sufficient to pay for the reduction.
Maryland	The unappropriated General Fund balance in excess of $10 million must be appropriated to the Revenue Stabilization Account in the following year's budget.
Michigan	Typically a general fund budget surplus remains in the general fund. All other options (i.e., transfer to Rainy Day fund, refund to taxpayers, earmark, pay down debt, one-time spending) are exceptions and require an appropriation.
Minnesota	Statute (M.S. 16A.152, subdivision 1b) allocates 1/3 of every November Forecast balance to the budget reserve until the reserve has reached its maximum size (approximately $1.9 billion for FY 2014-15).
Missouri	Surplus revenues remain in the general revenue fund. Revenues exceeding the constitutional limit are refunded to taxpayers.
Nevada	In 2005, the state refunded roughly $300 million in General Fund budget surplus to Nevadans, a one-time event.

Notes to Table 16 (continued)

New York Part or all of the General Fund surplus may be transferred to the state's rainy day reserves, or other reserves set aside for designated purposes.

Ohio Under Ohio law, surplus revenues are deposited into the Budget Stabilization Fund (BSF) to stabilize budgets against cyclical changes in revenues and expenditures. The maximum balance of the BSF is five percent of the total prior year receipts deposited into the general revenue fund. Once the five percent balance is achieved, additional surplus revenue is deposited into the Income Tax Reduction Fund.

Oregon Per Oregon's "kicker" law, if General Fund revenues come in greater than 2 percent above the original biennial forecast, the entire surplus is refunded to taxpayers. The legislature has the ability to override. If revenues increase less than 2 percent, the surplus goes to the General Fund and/or the Rainy Day Fund.

Pennsylvania 25 percent of budget surplus is transferred to the Budget Stabilization Reserve Fund; the remainder of the surplus goes to the General Fund.

Texas The comptroller will transfer to the economic stabilization fund one-half of any unencumbered positive balance of general revenues on the last day of the preceding biennium.

Vermont The Legislature directs surpluses to other funds, various programs, and the General Fund Balance Reserve.

Table 17: Unspent Appropriations

State	Revert back to general fund	Carried forward	Transferred to other fund	Other**
Alabama*		X		
Alaska	X			
Arizona	X			
Arkansas*			X	
California*	X	X		
Colorado	X			
Connecticut*	X	X		
Delaware	X	X		
Florida	X			
Georgia*	X	X		
Hawaii*	X			
Idaho	X	X		
Illinois*	X			
Indiana	X			
Iowa*	X	X		
Kansas*		X		X
Kentucky*	X	X		
Louisiana*	X		X	
Maine*	X	X		X
Maryland*	X	X		
Massachusetts*	X	X	X	
Michigan*	X			X
Minnesota*	X			
Mississippi*			X	
Missouri*	X	X		
Montana*	X	X	X	X
Nebraska*	X	X		
Nevada*	X			
New Hampshire	X			
New Jersey*	X	X		
New Mexico	X			
New York*		X		
North Carolina	X	X		
North Dakota*	X	X		
Ohio*	X			X
Oklahoma		X		
Oregon*	X	X	X	
Pennsylvania*	X	X	X	
Rhode Island*	X	X		
South Carolina*	X	X		
South Dakota	X			
Tennessee*	X	X		
Texas	X			
Utah*	X	X		
Vermont*	X	X		
Virginia*	X	X		
Washington	X			
West Virginia*	X	X		
Wisconsin*	X			
Wyoming	X			
District of Columbia	X			
Total	**44**	**29**	**7**	**5**

* See Notes to Table 17 on page 93.
** For states that responded “Other” see descriptions on page 93.

Table 17: Additional Details and Notes

Other Methods to Handle Unspent Appropriations

Kansas	In some instances, unspent general fund appropriations have been set aside in a fund designated to finance the additional bi-weekly payroll that will occur in FY 2017.
Maine	General Fund Salary Plan
Michigan	Work project authority and capital outlay carry forward authority
Montana	30% of certain unspent appropriations from the general appropriations act can be re-appropriated for the following 2 years.
Ohio	Operating encumbrances can remain open for five months the following fiscal year if they meet specific criteria described in temporary law.

Notes to Table 17

Alabama	The appropriation bill for the State General Fund has language allowing appropriations that were unexpended at the end of the fiscal year to be reappropriated to the respective agencies in the next fiscal year.
Arkansas	Unspent general funds are transferred to the General Improvement (GIF) Fund. Funding is transferred, not appropriation.
California	The unspent balance of multiyear appropriations remains available in subsequent fiscal years until the appropriation expires.
Connecticut	Funds may be carried forward in accordance with statutory authority.
Georgia	General fund appropriations may only be reserved and carried forward into a subsequent fiscal year if approved by the Governor's Office of Planning and Budget and State Accounting Office. Internal policy limits approving requests for reserves to specific initiatives that are funded in one fiscal year but for which the expenses may continue into a subsequent year. Reserved funds can only be spent for the purpose for which they were originally appropriated.
Hawaii	The Department of Education can retain 5% of its appropriations up to one year into the next fiscal biennium.
Illinois	Amounts not spent from any state appropriations, whether from general funds or other funds, are never deducted from the fund balance.
Iowa	Iowa Code requires that all unspent appropriations revert back to the original funding source. However, legislation can be passed which overrides the Code requirement and allow certain appropriations to carry forward into the subsequent fiscal year. This only happens on a case by case basis.

Notes to Table 17 (continued)

Kansas	Legally, unspent funds remain in the agencies' accounts until an action is taken to lapse them by the subsequent Legislature.
Kentucky	Unexpended General Fund appropriations are carried forward only when permitted by statute or budget bill authorization. Historically applicable to a small portion of General Fund appropriations.
Louisiana	Transfers to other funds require annual prior approval of the legislature.
Maine	Unobligated General Fund appropriations lapse to the Unappropriated Surplus of the General Fund unless language exists to carry the appropriation into the next fiscal year.
Maryland	General Fund PAYGO appropriations do not revert at the end of the current year. They have a two-year life. If unspent they revert at the end of the second year.
Massachusetts	Unspent appropriations will automatically revert to the General Fund. However, there are a number of funds subject to appropriation by the State Legislature that do not revert unspent funds to the General Fund. Rather those unspent funds remain in these non-General Fund budgetary funds. An example of this is the "Inland Fisheries and Game Fund" which is funded by revenues from license and permit fees for inland fishing, hunting, trapping, etc. Also, unspent debt service appropriations have recently been deposited into the State's OPEB Fund.
Michigan	State law provides that any unused ("lapsed") appropriation reverts to the fund from which it was appropriated, becoming available to provide appropriated authority for future fund expenditures on any item. There are situations when lapsed appropriations may be retained in full or in part for use beyond the fiscal year in which the appropriation was made. Typically this would be achieved through a "work project" designation utilizing funds for a specific, non-recurring good or service. In addition, state law provides carry forward authority for capital outlay appropriations.
Minnesota	Under Minnesota Statutes 16A.28, general fund unspent grant and operating dollars cancel at the end of each biennium. In limited cases, legislation allows specific appropriations to be carried forward or transferred to another fund.
Mississippi	Miss. Code Ann. § 27-103-213 (2013) provides the order of distribution to certain funds of unencumbered cash balances in the General Fund at the close of each fiscal year.
Missouri	Most capital improvement projects are biennial appropriations, beginning in even fiscal years. Appropriations remaining at the end of the even fiscal year are generally carried forward to the next fiscal year. In the event that projects take longer than two fiscal years to complete, the appropriations may be carried forward for additional fiscal years.
Montana	If appropriations are indicated as "biennial" in the bill authorizing the appropriation, then the unspent balance will carry forward from one year to the next. In addition, the unspent balance of appropriations for capital projects continue from year to year until the project is completed.
Nebraska	Historically, unspent general fund appropriations at the end of a biennium would revert back to the unobligated general fund balance. However, during the past several budget cycles unspent general fund appropriations have been carried forward and available to agencies.
Nevada	Nevada has a biennial budget. Most General Fund appropriations revert at the end of each fiscal year.

Notes to Table 17 (continued)

New Jersey	Most unspent General Fund appropriations revert back to the General Fund at year-end. However, certain appropriations carry forward if authorized by appropriations language.
New York	At the end of a budget cycle, any remaining appropriation authority is automatically carried forward into the new budget cycle and is subject to lapse 3-6 months later if not entirely exhausted by that time. Any remaining appropriation authority may also be reappropriated by the Legislature, making that appropriation active for the duration of the upcoming budget cycle (similar to new appropriations enacted for that budget cycle).
North Dakota	Funds can be carried forward when permitted by statute.
Ohio	In limited circumstances, unspent funds may be carried forward or transferred to another fund.
Oregon	The prior biennium ending GF balance is transferred to the Rainy Day Fund up to a maximum of 1% of total biennial budget appropriation (less GF reversions and statutorily authorized carry-forward amounts for the Legislative and Judicial branches). Any remaining balance is carried forward to the next biennium.
Pennsylvania	25 percent of budget surplus is transferred to the Budget Stabilization Reserve Fund; the remainder of the surplus goes to the General Fund.
Rhode Island	Unspent general fund appropriations may be reappropriated to the succeeding fiscal year by the Governor for the same purpose for which they were originally appropriated.
South Carolina	Agencies allowed to carry-forward up to 10% of general fund appropriations; amounts over the 10% limit lapse to the General Fund. In addition, certain programs have special carry-forward authority which allows unspent appropriations to be carried forward to the next year to be used for the same purpose(s).
Tennessee	Agencies may request that certain unexpended appropriations be carried forward to the next year and the Commissioner of F&A may approve or deny the carryforward request(s).
Utah	If nonlapsing authority is given through the Legislature, the money is carried forward. If not, the money is reverted back to the general fund.
Vermont	Agencies and departments must request approval from the Commissioner of Finance and Management to carry forward funds. If approval is not granted or requested, the unspent funds revert to the general fund.
Virginia	Unexpended General Fund appropriations in the Legislative, Judicial and Independent agencies shall be re-appropriated except as otherwise provided by the General Assembly. Executive Branch appropriations: Conditional carry-forwards at the end of the first year of the biennium which meet certain criteria may be authorized by the Governor. Unexpended general funds at the end of the biennium shall revert to the general fund.
West Virginia	Balances in accounts that are not "reappropriated" in the Budget Bill revert back to the unappropriated general revenue surplus balance at year end. Balances in accounts that are "reappropriated" in the Budget Bill carry forward to the next fiscal year and are available for spending in the next year.
Wisconsin	In most cases, general fund appropriations revert back to the general fund, unless there is a detailed alternative in the statutes.

Table 18: Intergovernmental Mandates

State	Estimate state cost of federal mandates	Estimate local cost of federal mandates	Estimate local cost of state mandates	Fiscal notes for legislative impacts on locals	Reimburse local governments for mandate costs
Alabama	X				
Alaska*					
Arizona*					
Arkansas					
California	X	X	X	X	X
Colorado*					
Connecticut	X			X	
Delaware	X				
Florida	X		X	X	
Georgia	X		X	X	
Hawaii*	X		X		X
Idaho				X	
Illinois*					
Indiana	X		X	X	
Iowa	X		X	X	
Kansas*				X	
Kentucky	X		X	X	
Louisiana*	X		X	X	
Maine	X		X	X	X
Maryland*	X		X	X	
Massachusetts	X				
Michigan*	X		X	X	X
Minnesota*			X	X	
Mississippi	X		X		
Missouri*	X		X	X	X
Montana	X		X	X	X
Nebraska*	X		X	X	X
Nevada				X	
New Hampshire			X		X
New Jersey*			X	X	X
New Mexico	X			X	
New York	X		X	X	
North Carolina	X				
North Dakota	X		X	X	
Ohio*				X	X
Oklahoma					
Oregon*	X		X	X	X
Pennsylvania	X	X	X	X	
Rhode Island			X	X	
South Carolina			X	X	
South Dakota	X		X		
Tennessee	X		X	X	X
Texas	X		X	X	X
Utah	X			X	
Vermont*	X	X			
Virginia*	X	X	X	X	X
Washington	X		X	X	X
West Virginia	X	X	X	X	X
Wisconsin			X	X	
Wyoming		X		X	
District of Columbia					
Totals	**33**	**6**	**31**	**35**	**16**

* See Notes to Table 18 on page 97.

Table 18: Additional Details and Notes

Notes to Table 18

Alaska	There is no specific policy to perform these tasks but they may be done as a need arises.
Arizona	Budget office will examine the effects on the state of only some federal actions; most are not evaluated prior to enactment.
Colorado	We have an executive order in place that prohibits any State agency from promulgating a rule that will mandate new costs on local governments without funding. The General Assembly may, with no consequence, pass bills that create local government mandates.
Hawaii	Estimates are prepared for selected programs.
Kansas	For legislation introduced in the Legislature, Division of the Budget produces a fiscal note outlining the fiscal effect of the proposal. Requests for information on bills affecting local government are made to the Kansas Association of Counties and League of Kansas Municipalities.
Louisiana	The state cost of federal mandates is estimated by the state agency responsible for the mandate. The local cost of state mandates is usually estimated by the Legislative Fiscal Office as fiscal notes attached to the legislative instrument authorizing the mandate.
Maine	For the purpose of more fairly apportioning the cost of government and providing local property tax relief, the State may not require a local unit of government to expand or modify that unit's activities so as to necessitate additional expenditures from local revenues unless the State provides annually 90% of the funding for these expenditures from State funds not previously appropriated to that local unit of government. Legislation implementing this section or requiring a specific expenditure as an exception to this requirement may be enacted upon the vote of 2/3 of all members elected to each House. This section must be liberally construed. (Constitution of Maine, Article IX, Section 21)
Maryland	Local costs of state mandates are estimated as a part of the legislative process. Local governments are not reimbursed unless specifically required by statute.
Michigan	Fiscal notes for local government are prepared by legislative fiscal agencies as bills progress through the legislative process. The State Budget Office reviews all intergovernmental mandates as part of the Executive Budget process. The Michigan Constitution prohibits the state from reducing the proportion of total state spending paid to all local units below a constant proportion and from reducing state-financed proportion of the necessary costs of any existing program or service required of local units under state law. In addition, the Michigan Constitution also requires the state to finance increased costs incurred by local units as a result of any new state-mandated activity or service or increase in the level of any activity or services beyond that required by existing law.

Notes to Table 18 (continued)

Minnesota	Minnesota's local impact note process assesses the fiscal impact of proposed legislation on local units of government. Local impact notes are requested by the legislature. Fiscal notes completed on purposed legislation include narrative information on potential local government costs.
Missouri	Any new local mandates enacted without a vote of the people, must be reimbursed by the state.
Nebraska	Reimburse local governments for specific programs as dictated by the legislature.
New Jersey	The State continuously reviews federal legislation and mandates for State and local cost impact; however, there is no official process for estimating and reporting that. The State's Council on Local Mandates, which is independent of the Executive, Legislative and Judicial branches of State government, was created pursuant to the "State Mandate, State Pay" amendment to the New Jersey Constitution, approved by voters in November 1995, and an enabling statute, the Council Statute, that became effective in May 1996. The Council has the exclusive constitutional authority to rule that a State law, rule, or regulation imposes an unconstitutional "unfunded mandate" on boards of education, counties, or municipalities. Under the Constitution, if the Council so rules, the "unfunded mandate" in the law, rule or regulation ceases to be mandatory in effect and "expires."
Ohio	The legislative office is required to prepare fiscal notes on the impact of pending legislation on local government. Limited reimbursement is provided for some mandates.
Oregon	With some exceptions, if costs for performing a service or activity mandated after 1997 is not allocated to local governments, local government compliance is not required.
Vermont	Estimates are prepared for programs as needed.

Table 19: Financial Management Technology

State	Enterprise financial management system	Date of most recent update	Access to enterprise system (E=enter/edit data; R=read data/generate reports)***								
			Governor's Office	Budget Agency	Legislature	Treasurer	Auditor	Dept of Revenue	Agencies	Higher education institutions	Other**
Alabama*											
Alaska		This is a work in progress	E,R	E,R	E,R	E,R	E,R	E,R	E,R		
Arizona*		Currently, a partial system is in development		R					E,R		X
Arkansas	X	2002	E,R	E,R	E,R	E,R	R	E,R	E,R	R	
California*	X	None in recent years. A new system is being implemented.							E		
Colorado	X	July 2014	E	E		E	R	E	E	E	
Connecticut	X	2003	R	R	R	R	R	R	E,R	E,R	X
Delaware*	X	The State implemented a comprehensive ERP system in July, 2010.	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	X
Florida											
Georgia											
Hawaii*											
Idaho*											
Illinois											
Indiana	X	Sept 2011		E,R		E	E,R	E	E		
Iowa	X	Feb 2012	R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
Kansas	X	July 2010		R	R	R	R		E		
Kentucky	X	April 2015	R	R	R	R	R	R	E,R	R	
Louisiana	X	The ERP system was purchased in 2007 but is not implemented.									
Maine*	X	Varied		E	R	R	R	R	E		X
Maryland*	X		R	R	R	R	R	E	E	E	
Massachusetts	X	2011									
Michigan*	X		E,R	E,R	E,R	E,R	E,R	E,R	E,R		
Minnesota*	X	Major roll out of accounting aspect of system on July 1, 2011. Other aspects still under development	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
Mississippi	X	July 2014	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	X
Missouri	X	1999-2000	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
Montana	X	2011	R	E,R	R	E,R	R	E,R	E,R	E,R	
Nebraska*	X	2003 for accounting/ payroll; 2012 for personnel	R	R	R	E,R	R	E,R	E,R		
Nevada											
New Hampshire	X	April 2006 through February 2013 Budget, Financial, Human Resource Management/ Payroll Systems	R	E,R	R	E,R	R	E,R	E,R		
New Jersey	-										
New Mexico	X		R	E,R	R	E,R	R	E,R	E,R	R	
New York*	X	April 2012	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
North Carolina	X	Mid 1990s	E	E,R	E	E	E	E	E,R	E	
North Dakota	X	2014	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
Ohio	X	2007	E,R	E,R	R	E,R	R	E,R	E,R	E,R	
Oklahoma	X	Latest update to be completed Nov 2014		E,R	R	R	R		E,R	E,R	
Oregon	X	2002		E	E				E		
Pennsylvania	X	2008	E,R	E,R	R	R	E,R	E,R	E,R		X
Rhode Island	X	FY 2007	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	X
South Carolina	X	SAP Procurement Module upgrade in 2014—Supplier Relationship Management (SRM)		E,R	R	E,R	R	E,R	E,R		X

Table continued on next page.

Table 19: Financial Management Technology (continued)

State	Enterprise financial management system	Date of most recent update	Access to enterprise system (E=enter/edit data; R=read data/generate reports)***								
			Governor's Office	Budget Agency	Legislature	Treasurer	Auditor	Dept of Revenue	Agencies	Higher education institutions	Other**
South Dakota	X	Ongoing	E,R	E,R	R	E,R	E,R		E,R		
Tennessee	X	Spring 2014		E,R	E,R	E,R	E,R		E,R		
Texas	X				E	R	R	E,R	E		
Utah*	X		E,R	E,R	R	R	R	R	E,R		
Vermont*	X	May 2013	E,R	E,R	E,R	E,R	E,R		E,R		
Virginia		Commonwealth is in the process of developing a statewide enterprise system									
Washington	X	The latest update is currently in the planning stages.		E,R	R				E,R	E,R	
West Virginia	X	July 2014	E,R	E,R	E,R	E,R	E,R	E,R	E,R	E,R	
Wisconsin*	X		R	E,R	E,R				E,R		
Wyoming	X		E,R	E,R	E,R	E,R	E,R				
District of Columbia*	X	1998		E,R		E,R	E,R	E,R			
Total	**39**										

* See Notes to Table 19 on page 103.
** For states that responded "Other" see descriptions on page 102.
*** For states that identified "Other" access limitations, see explanations on page 102.

Table 19: Financial Management Technology (continued)

State	Accounting	Payroll	Personnel	Budget	Forecasting	Legislative	Fiscal notes	Performance measures	Procurement	Asset mgmt	Travel mgmt	Supplier relationship mgmt	State property/ facilities mgmt	Federal funds/grants mgmt	Other
	Functions included in your state's enterprise system														
Alabama*															
Alaska	X	X							X						
Arizona*	X	X								X				X	
Arkansas	X	X	X	X					X	X					
California*	X														
Colorado	X			X					X	X		X		X	
Connecticut	X	X	X						X	X		X	X		
Delaware*	X	X	X	X						X				X	
Florida															
Georgia															
Hawaii*															
Idaho*															
Illinois															
Indiana	X		X						X	X					
Iowa	X			X				X	X	X	X				
Kansas	X	X							X	X	X	X		X	
Kentucky	X			X					X	X	X	X		X	
Louisiana															
Maine*	X	X	X	X	X	X		X	X	X		X	X		
Maryland*	X														X
Massachusetts															
Michigan*	X	X	X						X		X	X			
Minnesota*	X	X	X	X			X		X	X		X		X	X
Mississippi	X	X	X	X				X	X	X	X	X	X	X	X
Missouri	X	X	X	X										X	
Montana	X	X	X	X		X			X	X		X			
Nebraska*	X	X	X						X	X		X		X	
Nevada															
New Hampshire	X	X	X	X					X	X		X		X	
New Jersey															
New Mexico	X	X	X	X					X	X	X	X	X	X	
New York*	X			X					X		X	X		X	
North Carolina	X	X	X	X											
North Dakota	X	X	X	X					X	X			X	X	
Ohio	X	X	X	X					X	X	X	X			
Oklahoma	X	X	X	X				X	X	X					
Oregon	X			X											
Pennsylvania	X	X	X	X					X	X	X	X	X	X	
Rhode Island	X								X	X		X			
South Carolina	X	X	X	X					X	X	X	X		X	
South Dakota	X	X	X	X				X							
Tennessee	X	X	X						X	X	X	X		X	
Texas	X	X	X						X	X			X	X	
Utah*	X	X	X	X											
Vermont*	X	X	X	X				X		X	X				
Virginia															
Washington	X	X	X	X			X	X	X	X	X	X	X		
West Virginia	X	X	X	X	X			X	X	X	X	X	X	X	
Wisconsin*	X	X	X	X	X				X	X	X	X	X	X	
Wyoming	X	X	X	X											X
District of Columbia*	X									X					
Total	**39**	**30**	**28**	**27**	**3**	**2**	**2**	**8**	**28**	**28**	**15**	**21**	**10**	**19**	**4**

* See Notes to Table 19 on page 103.
** For states that responded "Other" see descriptions on page 102.

Table 19: Additional Details and Notes

Other Entities with Access to Enterprise System

Arizona	Edit Access: State General Accounting Office Read Access: In addition to the budget office and those involved directly with the accounting system, there is public access to the accounting data, showing all expenditures, by agency, by fund, by transaction.
Connecticut	Edit and Read Access: State Comptroller
Delaware	Edit and Read Access: Judiciary, School Districts and Charters
Maine	Read Access: Quasi-state agencies have access.
Mississippi	Read Access: The Public can access some reports from http://www.transparency.mississippi.gov/
Pennsylvania	Edit and Read Access: Attorney General
Rhode Island	Edit Access: State Controller
South Carolina	Edit and Read Access: Comptroller General's Office

Other Limitations on Access to Enterprise System

Arizona	State agencies can only view or edit their own accounting data. The budget office can view any accounting record or report, but not edit.
Delaware	The Department of Finance, and Office of Management and Budget have statewide access to information in the ERP system. Other agencies have specific access for agency operational functions.
Illinois	The state is in the process of procuring an ERP.
Minnesota	Our state's enterprise system has individual user security and agency specific access which is dependent on the functionality. For example, an entity may be able to enter accounting data, but only run budget reports, not enter budget data.
Missouri	Security access is limited according to the user's specific job responsibilities.
North Carolina	Human Resources and Payroll went live on January 1, 2008
Rhode Island	All state agencies are given access to the enterprise system to enter requisitions; payments; journal entries (adjustments to expenditures). Only the State Controller and the Budget Office have the ability to change appropriation levels in the general ledger.
Virginia	To be determined, currently in the development process.

Other Functions in Enterprise System

Maryland	Revenue Collection
Minnesota	Capital Budget and Enterprise Learning Management

Notes to Table 19

Alabama Alabama is currently in the process of implementing an ERP system that will integrate financial accounting, budgeting, purchasing and human resource management.

Arizona The new ERP system will link to existing human resource and procurement systems, but they will not be integrated. Also, the new system is designed to manage the financial aspects of federal and other grants, but not the grant management.

California A new system, Financial Information System for California (FI$Cal), is being implemented for accounting, budgeting, and procurement.

Delaware The State's budget system interfaces with the ERP system, but is a separate stand alone system. The State is currently developing a Procurement module that will be a part of the ERP system.

Hawaii The State is currently in the process of developing an ERP system.

Idaho Idaho doesn't have an enterprise system. The current system only pays vendors and employees.

Maine The State of Maine currently has separate budget, accounting, payroll/personnel and time and attendance management systems. There are interfaces between the systems, as well as to the system used by the Legislature. These systems are updated regularly.

Maryland The State is currently in the process of implementing separate and distinct personnel and budgeting systems.

Michigan The Michigan Administrative Information Network (MAIN) is a non-web based system that includes a financial management component (accounting and financial reporting; procurement and materials management), a human resources component (personnel, payroll, and employee benefits data processing; recording, allocating, and distributing payroll costs), and a database component (developing ad hoc queries and reports of information extracted from other MAIN components.) Other systems such as travel and vendor registration interface with MAIN. In July 2014, the state of Michigan initiated development of an enterprise resource planning system named SIGMA ("statewide integrated governmental management applications") that will expand the current accounting system to include budget preparation, grant reporting/processing, cost allocation, and numerous treasury functions among other functionalities. Implementation of the budget preparation component is scheduled for August 2015.

Minnesota Minnesota's enterprise system is accessible through one portal; however, each of the individual components of the system may be hosted on different technical platforms. For example, the procurement, accounting, payroll and personnel system are all in People Soft. The budget system is in Hyperion and the Fiscal Note Tracking and Capital Budget Systems are custom built using .Net technology.

Notes to Table 19 (continued)

Nebraska	Administrative staff of the Governor's Office, Budget Agency, Legislature, and Auditor have the ability to enter and/or edit data in the state's enterprise system to the extent they are performing business functions for that particular entity. They are not able to enter and/or edit data for other agencies.
New York	The state's payroll function is centralized under a separate statewide system that is linked to the statewide financial management system.
Utah	The enterprise system includes setting up agency budgets after appropriation. It does not include GOMB's preparation of the Governor's budget recommendation.
Vermont	The budget system is integrated into the ERP. Performances measures are currently being integrated into budget process through the budget system as part of a pilot project. Travel is managed through approvals and expense reimbursement in the ERP system.
Wisconsin	Wisconsin is close to completing a fully integrated financial and HR system. The target dates for rollout range from 2015 through 2016.
District of Columbia	Payroll, personnel, budget, procurement, and grants management are all separate systems, although they all interface with the financial system. Access to the financial system is generally limited to offices within the Office of the Chief Financial Officer—that is, budget, treasury, controller, and revenue offices.

CHAPTER 4

The Budget Document

States produce a variety of documents to plan, evaluate, and monitor the allocation of state resources, including agency requests, the governor's budget, appropriation bills, and accounting records. This chapter provides information on state methods to display the complex and voluminous fiscal data contained within these documents, with a special focus on the executive budget document.

Presentation of Budget Materials (Tables 20 and 21)

Budget documents contain complex fiscal data and narratives. Designing an effective method to present this information is challenging. How the budget document is communicated and presented has an impact on how successfully the information is received through the legislative approval process and how the public understands the information. Table 20 compares how states summarize information within agency requests, the executive budget, the appropriations bill and accounting records. For each of these document types, states were asked whether budgetary detail is presented at the following levels: organizational department; **lump sum**; program; **object classification** (or line item); outcome; and activity. While the vast majority of states present budget information at the department level for each of these document types, relatively few do so at the outcome level. This latter budget format is more commonly found in agency requests and the governor's budget than in appropriation bills and accounting records.

Table 21 shows what information is included in each state's executive budget document. Virtually all states include revenue estimates in their governor's budget proposal, while a majority of states also include economic analysis, program descriptions, program changes and initiatives, debt service costs, budget justifications, number of employees, performance measures and caseload information. Other information that is sometimes found in the executive budget document includes caps on agency personnel positions, strategic planning, building maintenance costs, demographic information, annual required contributions (ARCs) to pension systems, and executive compensation details. Fewer than ten states include salary schedules, lease agreements and contracts in their budget documents. Twenty-six states indicated that they publish information about agency requests in the executive budget.

The Capital Budget (Table 22)

Typically, each state budgets separately for current operating expenses and for capital expenditures, though sometimes capital spending budgets are included in the same document as a state's operating budget. Capital budgets require long-term planning and resource commitments, and also usually have distinct fund sources. While this *Budget Processes in the States* publication focuses primarily on operating budgets, Table 22 provides some basic information about capital planning and budgeting at the state level. Note that this data was actually collected in a separate NASBO survey released in the spring of 2014. Much more information and detail on state capital budgeting concepts, practices, processes and policies can be found in NASBO's *Capital Budgeting in the States* report.[5]

[5] See NASBO, *Capital Budgeting in the States* (Spring 2014), available at *http://www.nasbo.org/capital-budgeting-in-the-state*s.

As shown in the table, 43 states maintain a long-term capital budget or multiyear capital improvement plan (CIP) to identify capital expenditure projects. Among those states that maintain a long-term plan, the vast majority cover at least 5 years of capital expenditures. While most states produce a separate capital budget document that is distinct from the operating budget, 16 states reported that the capital budget is included in the state's operating budget. In 43 states, capital budget requests require information estimating the fiscal impact on future operating budgets.

A state's executive budget documents and related materials can generally be found on the budget agency's website. For a list of state budget office websites, *see Table 23*.

Table 20: Budget Formats

State	Agency Requests						Governor's Budget						Appropriation Bill						Accounting Records					
	OD	LS	P	OC	O	A	OD	LS	P	OC	O	A	OD	LS	P	OC	O	A	OD	LS	P	OC	O	A
Alabama	X	X	X	X		X	X	X	X	X			X	X	X	X			X	X	X	X		X
Alaska	X	X	X	X			X	X	X	X			X	X					X	X	X	X		
Arizona	X	X	X	X	X		X	X	X	X	X		X	X					X	X	X	X		X
Arkansas	X		X	X			X		X	X			X		X	X			X	X	X	X		
California	X	X	X	X	X	X	X	X	X	X			X	X	X	X			X	X	X	X		
Colorado*	X		X	X			X		X	X			X		X	X			X	X	X	X	X	X
Connecticut	X		X	X			X		X	X			X			X			X		X	X		
Delaware	X		X	X			X		X	X			X		X	X			X		X	X		
Florida	X	X	X	X	X	X	X	X	X	X			X	X	X	X			X	X	X	X		
Georgia	X		X	X			X		X	X			X		X	X			X		X	X		
Hawaii	X	X	X	X			X	X	X				X	X	X				X		X	X		
Idaho		X	X	X				X	X	X				X	X	X			X		X	X		
Illinois	X	X	X	X	X		X	X	X	X	X	X	X	X		X			X	X		X		
Indiana				X						X						X						X		
Iowa	X	X	X	X			X	X	X	X			X	X	X				X	X	X	X		
Kansas	X		X		X	X	X		X				X		X							X		
Kentucky	X		X	X		X	X	X					X	X					X		X	X		
Louisiana*	X		X	X	X	X	X		X	X	X	X	X		X	X			X		X	X		X
Maine	X		X	X			X		X	X			X		X	X			X		X	X		
Maryland	X		X	X			X		X	X					X				X		X	X		
Massachusetts	X	X	X	X			X		X	X			X			X			X			X		
Michigan	X	X	X	X	X	X	X	X	X	X			X	X	X	X		X	X	X	X	X		X
Minnesota	X		X	X		X	X		X	X		X	X		X			X	X		X	X		X
Mississippi	X		X	X	X	X	X		X		X	X	X	X	X	X	X	X	X		X	X		
Missouri	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X			X	X	X	X		X
Montana	X		X	X			X		X	X			X		X	X			X		X	X		
Nebraska	X		X	X			X		X				X		X				X		X	X		
Nevada*	X			X		X	X			X		X			X				X			X		
New Hampshire	X		X	X			X		X	X			X		X	X			X		X	X		
New Jersey	X	X	X	X			X	X	X	X			X	X	X	X			X	X	X	X		
New Mexico	X		X	X	X	X	X		X		X		X		X		X		X		X	X	X	X
New York	X	X	X	X			X	X	X	X			X	X	X	X			X	X	X	X		
North Carolina	X		X	X			X		X	X				X					X		X	X		
North Dakota	X	X	X	X			X	X	X	X			X	X	X	X			X	X	X	X		
Ohio	X	X	X	X			X	X	X	X			X	X		X			X	X	X	X		
Oklahoma	X		X	X		X	X						X	X					X	X	X	X		X
Oregon	X	X	X	X			X	X	X	X			X	X	X				X	X	X	X		
Pennsylvania	X	X	X	X			X	X	X				X	X	X				X	X	X	X		
Rhode Island*	X		X	X	X		X		X	X	X		X		X							X		
South Carolina	X		X	X			X		X	X			X		X	X			X		X	X		X
South Dakota	X		X	X			X		X				X		X				X		X	X		
Tennessee	X	X	X	X		X	X	X	X				X	X	X				X	X	X	X		
Texas			X	X	X		X	X	X		X				X	X	X				X	X	X	X
Utah	X		X	X			X	X	X	X	X		X		X	X						X		X
Vermont*	X		X	X	X		X		X	X	X		X			X			X			X		
Virginia	X		X	X		X	X		X			X	X		X			X	X		X	X		X
Washington	X		X			X	X		X			X	X		X				X		X	X		
West Virginia	X	X	X	X		X	X	X	X	X		X	X	X	X	X		X	X	X	X	X		X
Wisconsin	X	X	X				X	X	X				X	X	X				X	X	X	X		
Wyoming	X		X	X			X		X	X			X		X	X			X		X	X		
District of Columbia*			X	X		X			X	X		X			X	X		X	X		X	X		X
Totals	**47**	**21**	**48**	**47**	**13**	**17**	**48**	**23**	**46**	**36**	**10**	**9**	**44**	**24**	**39**	**29**	**3**	**5**	**45**	**21**	**42**	**50**	**3**	**14**

* See Notes to Table 20 on page 108.

Codes
OD=Organizational Department
LS=Lump Sum
P=Program Level
OC=Object Classification or Line Item
O=Outcome
A=Activity

Table 20: Additional Details and Notes

Notes to Table 20

Colorado	Our appropriated budget is primarily at the line item level, separated by "personal services" and "operating expenses" for most discrete programs in the State.
Louisiana	The appropriation bill will contain high-level object classifications starting with the 2015 legislative session for FY16.
Nevada	In addition to approving program level amounts within the appropriation bill, line item amounts as approved by the Legislature are loaded into the state accounting system. 2013 appropriation bill: http://leg.state.nv.us/Session/77th2013/Bills/AB/AB507_EN.pdf
Rhode Island	Outcome level means the inclusion of performance measures that indicate the expected outcomes for various measures based on requested or recommended funding.
Vermont	Outcome level budgets are currently being developed through the Performance Measure Pilot that is being integrated in the budget process.
District of Columbia	The District's appropriation bill, as passed by Congress, is at a very high level, but it is understood to incorporate the detail published in the budget documents.

Table 21: Budget Document Content

State	Economic analysis	Revenue estimates	Program descriptions	Program changes and initiatives	Strategic planning	Justification	Caseload	Number of employees	Caps on agency personnel positions	Performance measures
Alabama		X	X					X		
Alaska	X	X	X	X		X		X		X
Arizona	X	X	X	X	X	X	X	X		X
Arkansas		X	X	X		X		X	X	
California*	X	X	X	X		X	X	X		
Colorado*			X	X		X	X	X	X	
Connecticut	X	X	X	X		X		X	X	X
Delaware		X	X	X	X	X	X		X	X
Florida	X	X	X	X	X	X	X	X		
Georgia	X	X	X	X						X
Hawaii*	X	X	X	X		X	X	X	X	X
Idaho*	X	X	X			X	X	X	X	X
Illinois	X	X		X				X		X
Indiana	X	X		X	X	X				X
Iowa	X	X	X	X	X	X		X	X	X
Kansas	X	X	X	X	X	X	X	X	X	X
Kentucky	X	X	X	X		X			X	
Louisiana*	X	X						X	X	
Maine*	X	X	X	X		X		X		
Maryland*		X	X				X	X		X
Massachusetts	X	X	X	X	X	X	X	X		X
Michigan*	X	X		X	X	X	X	X		
Minnesota*	X	X	X	X		X	X	X		X
Mississippi		X		X		X				X
Missouri*	X	X	X	X		X	X	X	X	X
Montana*	X	X	X	X	X	X	X	X		X
Nebraska		X	X	X		X				X
Nevada	X	X	X	X	X	X	X	X		X
New Hampshire		X						X	X	
New Jersey	X	X	X	X		X	X	X	X	X
New Mexico	X	X	X	X	X	X	X	X	X	X
New York	X	X	X	X	X	X	X	X	X	X
North Carolina	X	X	X			X	X	X		X
North Dakota*	X	X	X	X		X	X	X	X	X
Ohio	X	X	X	X		X	X	X		
Oklahoma	X	X	X	X		X		X		X
Oregon	X	X	X	X	X	X	X	X	X	X
Pennsylvania	X	X	X	X		X	X	X	X	X
Rhode Island*	X	X	X	X			X	X	X	X
South Carolina*		X						X		
South Dakota*	X	X	X	X			X	X		X
Tennessee	X	X	X	X		X	X	X	X	X
Texas	X	X	X	X		X	X		X	
Utah*		X		X						
Vermont	X	X	X	X			X	X		X
Virginia*	X	X			X					X
Washington*	X	X	X	X	X	X	X	X		X
West Virginia	X	X	X	X		X		X		X
Wisconsin	X	X	X	X	X	X	X	X		X
Wyoming	X	X	X			X	X	X	X	X
District of Columbia	X	X	X	X	X	X		X		X
Totals	**40**	**49**	**41**	**41**	**16**	**38**	**31**	**41**	**22**	**36**

* See Notes to Table 21 on page 111.
** For states that responded "Other" see descriptions on page 111.

Table continued on next page.

Table 21: Budget Document Content (continued)

State	Salary schedules	Executive compensation	Building maintenance/ operating costs	Debt service costs	Annual required contribution (ARC) to pension system(s)	Contracts	Lease agreements	Demographic information	Other**	Agency request info in the executive budget
Alabama				X						X
Alaska										
Arizona			X	X	X				X	X
Arkansas	X	X	X	X	X			X		X
California*	X	X		X				X		
Colorado*	X	X	X	X						X
Connecticut				X	X				X	X
Delaware	X	X	X	X	X					X
Florida		X	X	X				X	X	X
Georgia				X						X
Hawaii*				X			X	X		
Idaho*			X	X						X
Illinois		X		X				X	X	
Indiana			X	X	X					
Iowa				X						X
Kansas				X				X		X
Kentucky				X	X			X		X
Louisiana*				X						
Maine*			X	X	X		X			X
Maryland*		X		X					X	
Massachusetts				X						
Michigan*			X	X	X					
Minnesota*				X						
Mississippi			X	X						
Missouri*				X						X
Montana*	X	X	X	X				X		X
Nebraska										X
Nevada				X						X
New Hampshire										
New Jersey			X	X	X			X		X
New Mexico	X	X	X	X	X	X	X	X		
New York			X	X	X			X		
North Carolina										X
North Dakota*	X	X	X	X			X	X		X
Ohio				X				X		
Oklahoma				X						
Oregon				X				X		
Pennsylvania				X				X		
Rhode Island*	X	X	X	X	X					
South Carolina*										
South Dakota*		X								X
Tennessee				X	X			X	X	
Texas			X	X	X			X		X
Utah*			X	X						X
Vermont				X	X	X				
Virginia*										
Washington*		X	X	X	X					
West Virginia				X	X			X		X
Wisconsin				X						X
Wyoming								X		X
District of Columbia			X	X	X	X	X	X		X
Totals	**8**	**13**	**19**	**42**	**17**	**2**	**4**	**19**	**6**	**26**

* See Notes to Table 21 on page 111.
** For states that responded "Other" see descriptions on page 111.

Table 21: Additional Details and Notes

Other Items Included in Budget Document

Arizona	Five-year look at the major strategic issues each agency faces and the agency's strategy for dealing with them.
Connecticut	Additional information included in the Governor's recommended budget includes: Financial position of all major funds; summary of outstanding general obligation and special tax obligation debt; fringe benefits; agency requested amounts and Governor's recommended amounts; federal funds; capital budget.
Florida	Florida Education Finance Program (FEFP) Summary
Illinois	Statutory transfers, expenditures, fund cash flows
Maryland	Capital Budget Volume
Tennessee	Capital Budget

Notes to Table 21

California	Much of the information is presented in separate publications made available along with the Governor's Budget document. Together, the budget bill, Governor's Budget, Governor's Budget Summary, Salaries and Wages supplement and the eBudget website comprise the Governor's spending plan.
Colorado	In Colorado, caps on agency personnel positions are included in the general appropriations bill, but are constitutionally unenforceable.
Hawaii	Agency requests are not published in the executive budget but the Governor's final decisions are published and position and funding amounts by programs and agencies are reported.
Idaho	Non-recommended agency requests show in the executive budget, but the amounts requested do not.
Louisiana	The executive budget supporting document contains additional information, including program descriptions, performance measures, and agency request totals.
Maine	Agency requests approved by the Governor are published in the executive budget.
Maryland	The executive budget document also includes a separate capital budget volume.

Notes to Table 21 (continued)

Michigan	The executive budget document contains a variety of background information including historical expenditures/appropriations, Civil Service pay recommendations for the recommended fiscal period, and a listing of legislation needed to implement provisions of the Executive Budget recommendation.
Minnesota	State statute (M.S. 16A.11) provides the timelines and details about what must be included in a governor's budget submission to the legislature.
Missouri	Program descriptions are not exhaustive or detailed. Agency budget requests revised with the Governor recommendations include more detailed information such as justification, caseload, actual prior year amounts, number of employees and performance measures.
Montana	Statutorily, only the agency request information for the Judicial Branch is required to be published in the executive budget.
North Dakota	Lease agreements over $50,000 are included in the executive budget.
Rhode Island	Funding for contracts and lease agreements are described in the executive budget, but the contracts/lease agreements themselves are not published or specifically described.
South Carolina	Agency requests are published on the Executive Budget Office's website.
South Dakota	Agency requests figures include only the dollar amount requested.
Utah	Only those items being recommended by the Governor.
Virginia	Strategic Planning is referenced within the agency's mission statement. Performance measures are referenced by links.
Washington	The Governor's budget document reflects FTEs by agency. These are considered maximums but are not appropriated, so they are not a legal FTE limit.

Table 22: Capital Planning & Budgeting

State	Multiyear capital improvement plan (CIP)*	Agency primarily responsible for maintaining CIP*	# of years contained in CIP*	Capital budget incl. in operating budget**	Name of the capital budget document (if not included in operating budget)**	Fiscal impact on future operating budgets required in capital budget requests***
Alabama		N/A		X		
Alaska	X	Office of Management and Budget	10		Budget: Capital	X
Arizona	X	Arizona Department of Administration	2			X
Arkansas		N/A			Capital Projects Request Manual	X
California	X	State Department of Finance	5	X		
Colorado	X	N/A	5		FY 2013-14 Capital Construction Budget Request, Prioritized List	
Connecticut	X	Office of Policy and Management	5		Capital Budget	X
Delaware	X	Office of Management and Budget	3		Fiscal Year 2014 Bond and Capital Improvements Act	X
Florida	X	N/A	5		Capital Improvement Program Plan	X
Georgia	X	Each Agency/Department	5	X		X
Hawaii	X	N/A	6	X		X
Idaho	X	Department of Administration	5	X		
Illinois	X	Governor's Office of Management and Budget	5		Illinois Capital Budget	
Indiana	X	N/A	10	X		X
Iowa	X	Iowa Department of Management	5	X		X
Kansas	X	Division of the Budget coordinates the budget process for capital projects. The State Building Advisory Commission in the executive branch and the Joint Committee on State Building Construction of the legislative branch also review capital projects.	5	X		X
Kentucky	X	Capital Planning Advisory Board	6		Budget of the Commonwealth, Volume II	X
Louisiana	X	Office of Facility Planning and Control	5		Act 24 of the 2013 Regular Legislative Session	X
Maine		N/A	N/A	X		X
Maryland	X	Maryland Department of Budget and Management—Office of Capital Budgeting	5		Maryland Consolidated Capital Bond Loan	X
Massachusetts	X	Executive Office for Administration and Finance (A&F)	5		FY2013-2017 Five-Year Capital Investment Plan	X
Michigan	X	Department of Technology, Management and Budget	5	X		X
Minnesota		N/A			Minnesota Capital Budget—2012	X
Mississippi	X	Department of Finance & Administration	5			X
Missouri	X	Office of Administration: Facilities Management, Design, and Construction	6	X		X
Montana	X	Department of Administration—Architecture and Engineering Division	6		Governor's Executive Budget	X
Nebraska	X	Department of Administrative Services—State Building Division	6		Capital Construction Appropriations Bill—LB 198 for FY 2013-14 and FY 2014-15	X
Nevada		Department of Administration: Public Works, Budget, and Research Planning Grants Management.			Recommended Capital Improvement Program	X
New Hampshire	X	Department of Administrative Services	6		Chapter 195, Laws of 2013	X
New Jersey	X	New Jersey Commission on Capital Budgeting and Planning	7	X		X
New Mexico	X	Department of Finance & Administration, State Budget Division, Capital Outlay Bureau for state facilities and the Department of Finance & Administration, Local Government Division for local facilities.	5		Fiscal Year 2014 Executive Budget Recommendation	X
New York	X	New York State Division of the Budget (DOB)	5 and 10		Capital Projects Appropriation Bill	X
North Carolina	X	Office of State Budget and Management	6			
North Dakota		N/A	10	X		X
Ohio	X	Office of Budget and Management	6		Capital Appropriations Budget	X
Oklahoma	X	Office of Management and Enterprise Services	8		Included in Capital Improvements Plan	X
Oregon	X	Department of Administrative Services (coordinating individual agency efforts).	6		Senate Bill 5507 (Capital Construction Bill) Budget Report	
Pennsylvania	X	Office of the Budget			Act 69 of 2013, Capital Budget Act of 2013-14	X
Rhode Island	X	Office of Management and Budget—Budget Division	5		Capital Budget	X
South Carolina	X	SC Budget and Control Board	5		Comprehensive Permanent Improvement Plan	X

Table continued on next page.

Table 22: Capital Planning & Budgeting (continued)

State	Multiyear capital improvement plan (CIP)*	Agency primarily responsible for maintaining CIP*	# of years contained in CIP*	Capital budget incl. in operating budget**	Name of the capital budget document (if not included in operating budget)**	Fiscal impact on future operating budgets required in capital budget requests***
South Dakota	X	Bureau of Finance and Management and Bureau of Administration	At least 5		It is listed separately in our Budget in Brief under special appropriations.	X
Tennessee	X	Finance and Administration	5		Approved (Fiscal Year) Capital Budget	X
Texas	X	Texas Bond Review Board	5	X		X
Utah	X	Department of Administrative Services, Division of Facilities, Construction, and Maintenance, Utah State Building Board	5		FY 2013 - 2014 Appropriations Report	X
Vermont	X	Agency of Administration, Department of Buildings and General Services	10		Capital Budget Request (T.32§309)	X
Virginia	X	Department of Planning and Budget	6	X		X
Washington	X	The Office of Financial Management—Capital Budget	10		ESSB 5035	X
West Virginia	X	Division of Real Estate	4	X		X
Wisconsin	X	Department of Administration—Division of Facilities Development	6		State of Wisconsin Capital Budget	X
Wyoming		N/A			Capital Construction Budget 2013-2014 Biennium	X
District of Columbia	X	The Office of Budget and Planning	6		FY 2014 to FY 2019 Capital Improvement Plan	X
Total	**43**			**16**		**43**

The data for this table were pulled from the results of NASBO's most recent Capital Budgeting in the States field survey, conducted in the fall of 2013. The complete findings of that survey, with footnotes, can be found in NASBO's Capital Budgeting in the States report, released in Spring 2014 and available at http://www.nasbo.org/sites/default/files/pdf/Capital%20Budgeting%20in%20the%20States.pdf.

* Data originally reported in Table 11 of Capital Budgeting in the States.
** Data originally reported in Table 15 of Capital Budgeting in the States.
*** Data originally reported in Table 18 of Capital Budgeting in the State.

Table 23: Budget Agency Websites

State	Website URL Address
Alabama	http://www.budget.alabama.gov/
Alaska	http://www.gov.state.ak.us/omb/akomb.htm
Arizona	azospb.gov
Arkansas	http://www.dfa.arkansas.gov/offices/budget/Pages/default.aspx
California	http://www.dof.ca.gov/
Colorado	http://www.colorado.gov/ospb
Connecticut	http://www.ct.gov/opm/site/default.asp
Delaware	http://www.omb.delaware.gov
Florida	www.flgov.com/opb
Georgia	opb.georgia.gov
Hawaii	http://budget.hawaii.gov/
Idaho	http://www.dfm.idaho.gov/
Illinois	www.budget.illinois.gov
Indiana	sba.in.gov
Iowa	http://www.dom.state.ia.us/
Kansas	budget.ks.gov
Kentucky	osbd.ky.gov
Louisiana	http://www.doa.louisiana.gov/OPB/pub/ebsd.htm
Maine	http://www.maine.gov/budget/
Maryland	http://dbm.maryland.gov/
Massachusetts	http://www.mass.gov/anf/
Michigan	http://www.michigan.gov/budget
Minnesota	http://www.mn.gov/mmb/budget/
Mississippi	http://www.dfa.ms.gov/
Missouri	http://content.oa.mo.gov/budget-planning/
Montana	http://www.budget.mt.gov/
Nebraska	http://budget.nebraska.gov/
Nevada	http://budget.nv.gov/
New Hampshire	http://admin.state.nh.us/budget/
New Jersey	http://www.nj.gov/treasury/omb/
New Mexico	http://www.nmdfa.state.nm.us/Budget_Division.aspx
New York	http://www.budget.ny.gov/
North Carolina	http://www.osbm.state.nc.us/
North Dakota	http://www.state.nd.gov/fiscal
Ohio	http://obm.ohio.gov
Oklahoma	omes.ok.gov
Oregon	http://www.oregon.gov/DAS/CFO/Pages/index.aspx
Pennsylvania	http://www.budget.state.pa.us/
Rhode Island	http://www.budget.ri.gov/
South Carolina	http://www.budget.sc.gov/EBO-index.phtm
South Dakota	http://bfm.sd.gov/
Tennessee	http://www.tn.gov/finance/bud/budget.shtml
Texas	http://governor.state.tx.us/bpp/
Utah	gomb.utah.gov
Vermont	http://finance.vermont.gov/
Virginia	http://dpb.virginia.gov
Washington	http://www.ofm.wa.gov/default.asp
West Virginia	http://www.budget.wv.gov/Pages/default.aspx
Wisconsin	http://doa.state.wi.us/Divisions/Budget-And-Finance
Wyoming	http://ai.wyo.gov/budget-division
District of Columbia	http://cfo.dc.gov/page/budget

CHAPTER 5

Monitoring the Budget

After enactment of the budget, state agencies implement programs by making expenditures that follow the intent of appropriations. During this budget execution phase, the budget agency plays a key role in helping state agencies manage program expenditures. This chapter includes information on state policies to monitor, control and regulate state expenditures.

Controlling Expenditures (Table 24)

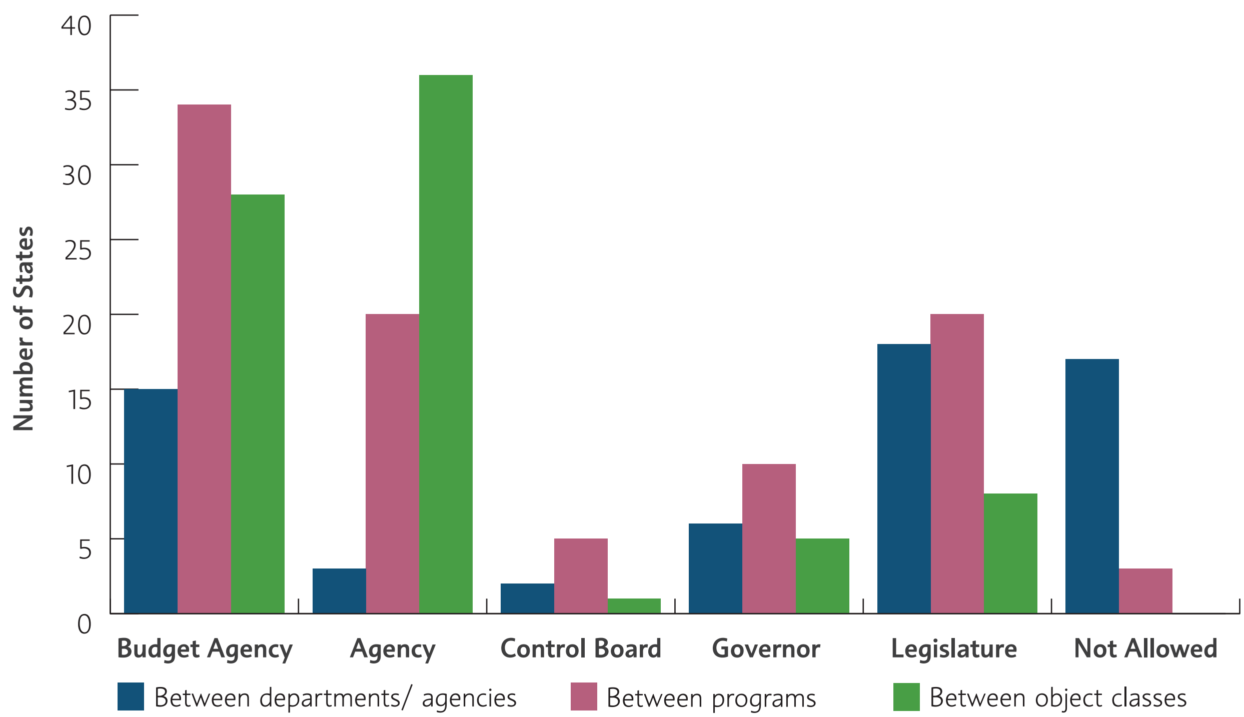
In most states, the budget agency has certain authorities at its disposal to monitor and control expenditures. As shown in Table 24, these authorities include contract approval (22 states), position control for new or refill of positions (31 states), **allotment** controls (31 states), and the ability to modify receivables in anticipation of funding (7 states).

Allotment schedules serve to monitor and control the timing of expenditures in a number of states. An allotment is part of an appropriation that may be expended or encumbered during a given period. The frequency of both allotment requests and allotments across states varies, ranging from monthly to annually, and in some states, allotments are also made upon request. In states that use allotments, they are usually applied to all agencies and all funds. Due to the unique funding relationship between states and public higher education institutions (HEIs) and a special interest in states' ability to monitor and control institutional spending, states were also asked to explain how allotment controls specifically apply to HEIs; responses are included in the footnotes following the table. Additionally, 32 states issue interim reports to monitor expenditures on a periodic basis. As with allotments, the frequency of these reports varies, though they appear to be most often issued on a monthly basis.

Transferring Funds (Table 25)

In general, state agencies must fund and operate services within the boundaries set forth in the enacted budget, which represents elected officials' intent for policy and spending in the state during that budget cycle. However, state budget offices, agencies, governors, and lawmakers have varying degrees of flexibility to authorize non-emergency transfers of previously enacted appropriations between departments, programs, and/or object classes. Table 25 displays these variations. As the table shows, there are greater restrictions placed on transfers between departments than between programs within a department; similarly, there are more limits on fund transfers between programs in the same department than between object classes within a program. The state budget agency is authorized to transfer appropriations between departments in 15 states, between programs or units within a department in 34 states, and between object classes within a program or unit in 28 states. Meanwhile, individual state agencies or departments are authorized to transfer appropriations between programs in 20 states, and between object classes within a program in 36 states. *(See Figure 7)* In some cases, fund transfers can take place without the approval of the legislature, but are still subject to legislative review. The table footnotes provide further explanation and state-specific details.

Figure 7: Authority to Transfer Funds



Forecasting Operating Budgets (Table 26)

Table 26 presents certain details about how states put together their operating expenditure forecasts. In 29 states, operating expenditure estimates originate in agencies, and in 35 states, the estimates include all programs. Thirty states project possible future budget gaps or shortfalls in their expenditure forecasts, and in 28 states, the spending estimates reflect inflationary increases for at least some programs. According to the table, 36 states produce a forecast that covers multiple years. Among those that produce multi-year forecasts, the majority of states include spending estimates for between two and five years beyond the current budget year or biennium.

Table 24: Allotments and Expenditure Monitoring

State	Budget Agency Authority Used to Monitor and Control Expenditures					Frequency of Allotment Requests	Frequency of Allotments	Allotments Applied to:***	Interim expenditure monitoring reports issued	Frequency of Interim Reports
	Contract approval	Position control (for new or refill of positions)	Allotment controls	Modify receivables (in anticipation of funding)	Other**					
Alabama			X			A	Q	AA,AF	X	M
Alaska*	X	X		X		NA	NA	NA	X	Q
Arizona*			X			R	Q	AA,AF	-	
Arkansas		X	X			Q	M	AA	X	M
California		X				NA	NA	NA	X	O**
Colorado						NA	NA	NA	-	
Connecticut	X	X	X	X		Q,R	Q,R	AA,AF	X	M
Delaware		X			X	NA	NA	NA	X	M
Florida*	X	X	X			A,Q,R	A,Q,R	AA,AF	-	
Georgia*		X	X			R	M	AA,AF	X	Q
Hawaii*	X	X	X			A,R	Q,R	AA	X	A
Idaho		X				A	A	AA,AF	X	M
Illinois		X				NA	NA	NA	-	
Indiana	X	X	X	X		A,S,Q,R	A,S,Q,R	AA,AF	-	
Iowa	X	X	X			A,R	A,R	AA	-	
Kansas			X			O**	R		-	
Kentucky			X			Q,R	Q	AA,AF	-	
Louisiana*	X	X				M,R	M,R	AA	-	
Maine*	X	X	X			R	Q	AA,AF	X	R
Maryland*		X	X		X		A,Q,O	AA,AF	-	
Massachusetts		X	X			Q,M,R	Q,M,R		-	
Michigan*			X			A,R	Q	AA,AF	X	A,M,R
Minnesota						A	A	AA,AF	X	S,R
Mississippi		X	X			S,R	S	AA,AF	X	M,R
Missouri*			X			A,Q,M,R	A,Q,M	AA,AF	X	M,R
Montana	X	X	X	X		A	A	AA,AF	-	
Nebraska		X	X			R	Q,R	AA,AF	X	M
Nevada	X	X			X	NA	NA	NA	-	
New Hampshire*	X					A	A	AA	-	
New Jersey*	X	X	X	X		A,R	A,R	AA,AF	X	Q
New Mexico	X	X	X	X		A	M	AA	-	R
New York*	X	X	X			Q	Q	AA,AF	X	M
North Carolina			X			M	M	AA	X	M
North Dakota									X	M,O**
Ohio	X	X	X			A,O**	A,Q	AA,AF	X	M,R
Oklahoma						M,R	M,R	AF	-	
Oregon		X	X			Q,R	Q	AA,AF	-	
Pennsylvania*	X	X				A	A	AA,AF	X	M
Rhode Island	X	X	X			A	A,O	AA	X	Q
South Carolina						A	A	AA,AF	X	M,Q
South Dakota									X	M
Tennessee	X	X	X	X		A	A	AA	X	M,R
Texas	X					NA	NA	NA	-	
Utah						A	A	AA	X	R
Vermont	X	X				NA	NA	NA	X	R
Virginia*			X			A,R	A,R	AA,AF	X	M
Washington	X		X			Q	M	AA	X	M
West Virginia	X	X	X			A,Q,M	A,Q,M	AF	X	M
Wisconsin		X	X			R	A,R	AA,AF	X	M
Wyoming						O**		AA,AF	X	O**
District of Columbia*					X	NA	NA	NA	X	Q,M
Total	**22**	**31**	**31**	**7**	**3**				**32**	

* See Notes to Table 24 on page 121.
** For states that responded "Other" see descriptions on page 120.
*** For state-specific explanations of how allotment controls apply to public higher education institutions, see page 120.

Codes A=Annually NA=Not applicable S=Semi-annually O=Other Q=Quarterly M=Monthly R=As requested AA=All Agencies AF=All Funds

Table 24: Additional Details and Notes

Other Strategies for Budget Agency to Monitor and Control Expenditures

Delaware	The OMB Director has the authority by statute to control the rate of expenditures.
Maryland	See note
Nevada	Budget reviews contracts before Board of Examiners (Governor, Sec. of State and Atty Gen'l) approval.
District of Columbia	The budget agency monitors and reports on actual spending versus spending plans.

Other Frequencies of Allotment Requests/Allotments

Kansas	The Governor authorizes allotments only when the SGF is projected to end the year below zero.
Ohio	Agencies may request to shift allocations between expense account codes throughout the fiscal year.
Rhode Island	Can use monthly/quarterly, but traditionally only annual are used.
Wyoming	Biennial

Allotment Controls for Higher Education Institutions

Alabama	Higher Education institutions receive one fourth of their appropriation from the Education Trust Fund each quarter.
Arizona	Same as all agencies, quarterly allotments.
Connecticut	Appropriated funds and university operating funds are allotted quarterly in accordance with an allotment plan established at the beginning of the fiscal year.
Georgia	The State allots funds on a monthly basis to the Board of Regents of the University System of Georgia and the Technical College System of Georgia. Allotments to individual institutions are done by the central offices of the University and Technical College Systems.
Hawaii	Public higher education institutions are subject to allotment controls that are applicable to all state agencies and are contained in the budget execution policies and instructions. However, modification or amendment of an allotment to the University of Hawaii requires notifying the University and making a public declaration ten days prior to the modification or amendment taking effect.
Indiana	Allotments are made to universities on a quarterly basis.

Allotment Controls for Higher Education Institutions (continued)

Kansas	Allotments can be applied against the state's Regents universities or to the aid provided to the other public higher education institutions.
Kentucky	Same as all other agencies.
Louisiana	Higher education institutions request general fund allotments from the treasurer's office on a monthly basis. Other funds are available as received.
Maine	The University of Maine System, the Maine Technical College System, and the Maine Maritime Academy receive a portion of their funding from the State General Fund. These funds are allotted annually in quarterly increments and remitted to the institutions upon request.
Maryland	Allotment controls for higher education are done quarterly as outlined in the annual State budget bill.
Massachusetts	Public Higher Education does not fall under the Executive Branch allotment authority. Therefore they could request to be fully allotted once the state budget is signed into law.
Missouri	The public higher education institutions receive lump sum state aid, which is allotted monthly. The state has no control over IHE funding that is outside the state treasury.
Nebraska	Allotment controls apply to public higher education institutions but, like with any other agency, the Budget Office may not withhold appropriations at fiscal year-end.
New Mexico	General Fund allotments follow the appropriation act. Revenues earned by the University are adjusted mid-year, and at year-end.
Rhode Island	State appropriations to higher education are disbursed on a monthly basis.
Washington	Higher Education must allot their funding from state accounts, but they have numerous "non-budgeted" local accounts that are not required to be reflected either in the budget or in allotment estimates. They must currently allot their primary account into which tuition payments are deposited.

Other Frequencies for Interim Expenditure Monitoring Reports

California	Reports provided January 10, May 14, and at Budget Enactment.
North Dakota	Expenditure monitoring reports are available on-line in real time.
Wyoming	Daily

Notes to Table 24

Alaska	Interim Reports are internal only.
Arizona	There are no statewide expenditure monitoring reports. However, the budget office requires each Executive agency to provide monthly reports on actual and forecasted monthly revenues and expenditures for the current fiscal year.
Florida	For this section the term "allotments" are considered "release of appropriations" as outlined in s.216.192, Florida Statutes.

Notes to Table 24 (continued)

Georgia	The state will begin issuing interim expenditure monitoring reports effective January 2015.
Hawaii	Variance reports are completed annually.
Louisiana	Interim expenditures are monitored at least quarterly but are not issued.
Maine	Departments and Agencies of the state are able to generate reports at any time from the various state systems.
Maryland	The Governor, with approval of the Board of Public Works, may reduce any appropriation by up to 25% with certain exceptions (education aid, debt service and the salary of a public official).
Michigan	1) The legislature and judicial branches are exempt from allotment requirements. 2) State law requires the State Budget Director to annually report to the Legislature any department that is estimated to exceed its level of appropriation with recommended corrective action steps. The State Budget Director is also required to publish a monthly financial report within 30 days after the end of each month, including estimated spending by principal department. 3) Throughout the year, expenditure monitoring is conducted by executive and legislative staff producing daily, weekly, monthly, quarterly, and year-to-date reports.
Missouri	The state Division of Accounting issues monthly expenditure reports.
New Hampshire	The enacted budget for each year of the Biennium is appropriated on July 1. The reference to allotments being made available on an annual basis refers to this process in New Hampshire. Expenditures are required by statute to be reported monthly on the State of New Hampshire transparency website.
New Jersey	The Office of Management and Budget's approval is required for contracts above thresholds designated in statewide circular letters.
New York	Allotments are made quarterly, or as needed due to changing conditions.
Pennsylvania	Original allocation of each appropriation among major objects (personnel, operations, fixed assets, grants) is approved by the Office of the Budget. With few exceptions, allocations are made once at the beginning of the fiscal year.
Virginia	This is a function of the Department of Accounts.
District of Columbia	Expenditure reports are issued monthly for operating budget expenditures and quarterly for capital budget expenditures. Contract approval and position control are managed by finance staff in agencies (who also report to the CFO) rather than by the central budget office.

Table 25: Transfer Appropriations

State	"Between departments or programs in separate departments"		Between a program or unit within a department		Between an object class within a program or unit	
	Authorized to transfer	Maximum transfer amount	Authorized to transfer	Maximum transfer amount	Authorized to transfer	Maximum transfer amount
Alabama	G		G		B	
Alaska*	NA		NA,A	$50,000,000	A,B	
Arizona*	NA		B		B	
Arkansas	NA		B,L		B,L	
California	NA		B		A	
Colorado	NA		B,G	$5,000,000	A	
Connecticut	L		B,C		A	
Delaware*	A,B,L		A,B,L		A,B,L	
Florida	L		A,B,L		A	
Georgia	NA		L		B,G	
Hawaii*	NA		A,B,G		A,B	
Idaho*	NA		B,L	10% of program	B,L	
Illinois*	NA		A,G	generally 2%	A,G	generally 2%
Indiana*	C		B		A,B	
Iowa*	B,G	0.5% of gen fund approps	A,B,G			
Kansas	NA		A,B,G		A	
Kentucky	B		B		B	
Louisiana*	L		B,L	5% of total appropriation	A,B	
Maine*	B,L,G		B,L,G		B,L,G	
Maryland*	NA		B,G		A	
Massachusetts*	NA		NA		B	
Michigan*	L,G		B,L		A	
Minnesota*	B		A,B		A	
Mississippi	A,B,L		A,B,L		A,B,L	
Missouri	NA		NA		A	unlimited
Montana*	B		B		A,B	
Nebraska*	B		B		A	
Nevada*	NA		L		B,L	
New Hampshire*	NA		A,B,C,L,G		A,B,C,L,G	
New Jersey*	B,L		B,L		A	
New Mexico*	B	Varies	B		B	
New York*	B		B		B	
North Carolina	B,G		A		A	
North Dakota	NA		A		A	
Ohio*	L		B,C,L		A,B	
Oklahoma	L		A,L	for agency—25%	A	
Oregon*	L		A,B,L		A,B	
Pennsylvania*	NA		A		A,B	
Rhode Island*	L				A,B,L,G	Amt available in object
South Carolina*	B		A,B,L	20% of program	A	See notes
South Dakota	B,L		B		A,B	
Tennessee	L		B,L		A,B	
Texas	A		A		A	0.2
Utah	L		A		A	
Vermont *	C		B,C	$50,000	A,B	
Virginia	B		B		B	
Washington*	L		B,L		A	
West Virginia	L		A,C,L	Agency up to 5% of approp	A	
Wisconsin	L		L		B	
Wyoming	G		A,B,G		A	
District of Columbia*	A,G		A,G		A,B,C,G	

* See Notes to Table 25 on page 124.

Codes B=Budget Agency G=Governor A=Agency L=Legislature C=Control Board NA=Not Allowed

Table 25: Additional Details and Notes

Notes to Table 25

Alaska	Only the Department of Health and Social Services may transfer appropriations between a program or unit within a department. The Commissioner is authorized to transfer up to $50 million between appropriations within the department by legislative conditional language.
Arizona	Appropriation transfers within an agency can be approved by the budget office, except for transfers involving an isolated appropriation solely for payroll, which must be approved by a legislative committee.
Delaware	Agencies may request a General fund transfer, however the transfer is subject to the approval of both the Director of the Office of Management and Budget and the Controller General.
Hawaii	Transfers between departments or programs in separate departments must be authorized in an appropriations act and/or by general statute, reviewed by executive budget agency, and approved by the Governor. Transfers of appropriations between programs or unit within a department can be made if reviewed by executive budget agency and approved by Governor. Transfers of appropriations between object classes within a program or unit can be made if approved by executive budget agency.
Idaho	Transfers cannot be made into personnel or out of capital outlay.
Illinois	Agencies under the authority of the Governor submit transfer requests for approval by the Governor's Office of Management and Budget and the Governor's Office.
Indiana	Agencies are authorized to make object class transfers within the 7 classes of other operating expenses; however, transfers of appropriations between personal services and other operating expenses require Budget Agency approval.
Iowa	Appropriations are not enacted at the object class level so no transfers are required to increase/decrease amounts budgeted at the object class level. Appropriation transfers are allowed statutorily to be done by within specific departments between appropriations within those departments. Otherwise appropriation transfers are only allowed when approved by the Director of the Department of Management and the Governor. In total, these are limited to 0.5% of the total appropriations from that fund.
Louisiana	The Commissioner of Administration is authorized to transfer up to 1% of the agency's total appropriation between programs of that agency. Up to 5% can be transferred with the approval of the Joint Legislative Committee on the Budget. With a rare exception, the approval of the full legislature is required for inter-departmental appropriation transfers.
Maine	Any balance of any appropriation in a department or agency, which at any time may not be required for its original purpose, may be transferred within the same department or agency. Accrued savings in Personal Services in a General Fund appropriation may be used to offset

	Personal Services shortfalls in other General Fund appropriations. Such transfers are subject to approval of the State Budget Officer and the Governor, and subject to review by the Legislature.
Maryland	Transfer between agencies is generally not allowed unless authorized by the General Assembly in the Budget Bill.
Massachusetts	Legislatively approved language is required to allow for transferability among accounts and programs within a state agency or department is allowed. Examples of transferability—between the Commonwealth various trial courts, various MassHealth (Medicaid) programs and accounts, etc.
Michigan	The governor has constitutional authority to make departmental changes considered necessary for efficient administration. Where these changes require the force of law, they are set forth in executive orders submitted to the legislature. The transfer of a program between departments also results in the transfer of the related appropriations. Where an executive order is not needed, additional appropriations are accomplished via the supplemental process and approved by the legislature.
Minnesota	All transfers between agencies must be authorized in law or statutes and approved by Minnesota Management and Budget (MMB). Agencies may have the authority to transfer between programs or activities within the same fund; however, transfers between funds must be authorized in law/statutes and approved by MMB. State statute (M.S. 16A.285) provides authority to agencies to transfer operational money between programs within the same fund if certain conditions are met. An agency in the executive, legislative, or judicial branch may transfer state agency operational money between programs within the same fund if: (1) the agency first notifies the commissioner as to the type and intent of the transfer; and (2) the transfer is consistent with legislative intent. If an amount is specified for an item within an activity, that amount must not be transferred or used for any other purpose.
Montana	Transfers between agency programs and between object classes require review but not approval of the Legislative Finance Committee.
Nebraska	Agency to agency transfers and program to program transfers within an agency are allowed only when specifically authorized within the budget bill.
Nevada	Nevada's Legislature generally meets for one four month session each biennium. Between sessions, the money committees meet as the Interim Finance Committee (IFC), which may authorize appropriation transfers within a department. Whether transfers are small enough to be approved by Budget and the Governor, without IFC approval, is governed by http://leg.state.nv.us/NRS/NRS-353.html#NRS353Sec220.
New Hampshire	Requests for transfers of more than $75,000 may be made to the Governor and Executive Council and the Joint Fiscal Committee of the General Court. Requests for transfers under $75,000 may be made to the Budget Office and Commissioner of the Department of Administrative Services.
New Jersey	If a function or program is transferred by executive order or legislation, then transfers of appropriations are permitted for the transferred program. Transfers of State appropriations of $50,000 or more across departments or across appropriation classifications requires approval by the Legislature's Joint Budget Oversight Committee. Additional transfer rules are outlined in the annual Appropriations Act.
New Mexico	Only the Departments of Health, Corrections and Children, Youth and Families are permitted for public safety/health reasons. The amount is capped to a specific dollar amount.

Notes to Table 25 (continued)

New York	No transfers between departments may occur unless specifically authorized in the appropriation language. Transfers of appropriations within a department are limited to 5 percent of program appropriation for the first $5 million, 4 percent for the second $5 million, and 3 percent in excess of $10 million. For certain statewide purposes (e.g., information technology services), department appropriation language has been amended statewide to include transfer authorization to finance the centralization and consolidation of services for that purpose.
Ohio	The legislature occasionally delegates limited authority to make transfers between departments or programs in separate departments to the Controlling Board or the budget director. The Controlling Board may delegate the authority to make transfers of appropriations between programs or units within a department to the budget director. Currently, the budget director may transfer appropriation authority within a fiscal year between operating items in amounts equal to their direct purchasing authority limit, i.e., $50,000 for most agencies and $75,000 for institutional agencies.
Oregon	Authority to transfer appropriations between programs or units within a department depends on level at which the legislature established appropriation. If appropriation is agency-wide, then the agency or executive budget agency has the ability to transfer between programs or units. If the appropriation is at the program level, then neither the agency nor the executive budget agency has authority to transfer between programs.
Pennsylvania	Transfers may be made within an appropriation line item. The Budget Office approves transfers between major objects. Allocation among minor objects has been delegated to the agencies. Legislative authority is required for transfers between appropriations.
Rhode Island	Funding is appropriated at the line item/program level, but budgeted to the object of expense level. Agencies are permitted to shift funding between the object of expense, but not between line items/programs; the latter requires legislative approval.
South Carolina	Transfers between separate departments can be made as authorized per legislation in the Appropriations Act. In addition, the Executive Director of the Budget & Control Board may transfer funds to another agency in some cases. Transfers between recurring programs within an agency are limited to 20% except for special items. Transfers from personal services to operating expenditures are limited to the greater of 1% of personal service budget or $100,000.
Vermont	Transfers between agencies/departments require approval of the Emergency Board. Transfers within a department may occur with Executive Budget Agency approval up to $50,000. Transfers over that amount must be approved by the Emergency Board.
Washington	The question regarding the moving of appropriations between programs within an agency refers only to those few agencies appropriated by program. Before any movement is allowed, the legislature must have given transfer authority in the appropriations bill. Currently, this is given only for the Department of Social and Health Services, the Department of Corrections, and the Office of Superintendent of Public Instruction. Most other agencies are appropriated at the agency level and have full ability to spread funding, except as limited by law and budget provisos.
District of Columbia	"Governor" means Mayor for the District. If a transfer exceeds $500,000, the legislature (Council) must approve it. The legislature cannot initiate a transfer.

Table 26: Operating Expenditure Forecast

State	Estimates originate in agencies	Estimates include all programs	Projects possible future budget gaps	Estimates reflect inflationary increases	Projected operating expenses published	Forecast covers multiple years	Multi-year expenditure forecast for how many years
Alabama	X	X		X		X	1
Alaska		X	X		X	X	10
Arizona*	X	X	X	X	X	X	2
Arkansas					X		2
California*	X	X	X	X	X	X	3
Colorado	X	X			X		
Connecticut			X			X	3
Delaware		X			X		
Florida	X	X	X	X	X	X	3
Georgia			X	X	X	X	5
Hawaii	X	X	X		X	X	6
Idaho	X	X		X			
Illinois		X	X	X	X	X	3
Indiana		X	X		X	X	2
Iowa	X	X	X			X	4
Kansas	X	X		X		X	1
Kentucky				X		X	
Louisiana*	X		X	X		X	4
Maine*	X	X	X	X	X	X	2
Maryland*			X	X	X	X	4
Massachusetts	X	X	X	X			
Michigan	X	X	X	X	X	X	1
Minnesota*	X	X	X		X	X	4
Mississippi	X	X		X	X		
Missouri*	X	X	X	X	X	X	3
Montana		X	X	X	X	X	2
Nebraska		X	X		X	X	2
Nevada							
New Hampshire	X	X					
New Jersey	X	X	X	X		X	3
New Mexico			X	X	X	X	5
New York*		X	X	X	X	X	3
North Carolina		X	X		X		4
North Dakota	X	X			X	X	
Ohio	X					X	2
Oklahoma							
Oregon		X	X	X		X	8
Pennsylvania*		X		X	X	X	4
Rhode Island*	X	X	X	X	X	X	5
South Carolina*	X		X	X	X	X	3
South Dakota*	X	X	X	X	X	X	4
Tennessee	X	X					
Texas	X	X					
Utah	X						
Vermont	X			X		X	1
Virginia	X	X		X		X	4
Washington			X	X	X	X	2
West Virginia	X	X	X			X	4
Wisconsin		X	X			X	2
Wyoming							
District of Columbia				X	X	X	3
Totals	**29**	**35**	**30**	**28**	**28**	**36**	

* See Notes to Table 26 on page 128.

Table 26: Additional Details and Notes

Notes to Table 26

Arizona	Only one inflation item (required by law) is included in forecast estimates.
California	Only major programs include cost of living adjustments.
Louisiana	This estimate is the Continuation Budget which is presented to the Joint Legislative Committee on the Budget in January.
Maine	By September 1st of each even-numbered year, the State Budget Officer prepares a report containing a forecast of revenue and expenditures for the following biennium. This report is commonly known as the "four-year forecast."
Maryland	The General Fund expenditure forecast is prepared by the Department of Budget and Management. The Transportation and Higher Education are prepared, respectively, the Department of Transportation and the higher education governing boards and coordinated by the Department of Budget and Management. These three forecasts comprise 64% of the total budget.
Minnesota	Spending projections assume that no increases in spending will occur over the four-year period beyond those incorporated in current law for education aids, property tax aids and credits, debt service, health care programs and a few specific appropriations. These areas of spending are impacted by enrollment, caseload, formula or other factors, such as the underlying cost of health care.
Missouri	Multiyear expenditure forecasts are usually 3-5 years.
New York	Estimates originate in the Division of the Budget, with the cooperation of the agencies.
Pennsylvania	A balanced budget is required; therefore, the budget publication would rarely include a budget gap.
Rhode Island	The Budget Office is required to prepare and include a five year financial forecast of revenues and expenditures with the Governor's annual budget submission; this document is also updated with the budget as enacted.
South Carolina	3-Year Outlook is based on major programs and statewide constitutionally required funding items.
South Dakota	The budget office is required to produce a four-year expenditure projection by way of an executive order from the Governor.

CHAPTER 6

Performance Management and Spending Transparency

The current fiscal environment for many states is characterized by limited resources with numerous demands for spending. This reality, coupled with new technologies that have enhanced capacity for data collection, analysis and presentation, has led to growing interest and increased efforts to harness performance data to inform decision-making and strengthen transparency, program effectiveness and efficiency in the public sector. The following tables aim to shed some light on the current "state of the states" with respect to the collection, reporting and use of performance data, as well as state spending transparency efforts.

Collecting and Reporting Performance Measures (Tables 27 and 28)

In total, 46 states indicated that they collect at least some of the performance measures asked about in the survey. Table 27 shows both at what level(s) performance measures are collected—in other words, the scope of government activities that the measure applies to—and the types of performance measures collected—that is, what the measure is serving as an indicator for. Nearly all states that collect performance measures at all do so at the program level. The second most common level is the agency level, with 37 states collecting measures at this level. Additionally, a dozen states collect statewide quality of life measures.

Common types of performance measures include input measures, output measures, efficiency measures and outcome measures, defined below. These definitions, in addition to more background and lessons learned on performance-informed budgeting and management, are found in NASBO's summer 2014 report, *Investing in Results*.[6]

Input Measure. This is a measure of the amount of resources provided or used to carry out a program. This is often reported as a dollar amount but can also include other inputs, such as full-time employees (FTEs).

Output Measure. This is a measure of the quantity of service, product or activity performed or provided. Examples include the number of students enrolled in a school district or the number of driver's licenses generated.

Efficiency Measure. This represents as a ratio how much output was obtained per unit of input. An example would be the cost per invoice produced (input divided by output) or invoices processed per employee (output divided by input).

Outcome Measure. This is a measure of the result associated with a program or service. Outcome measures can be short- or long-term results that can be directly linked to a government program or service. Examples include the percentage of students reading at grade level, air quality, or the traffic fatality rate. Outcome measures are often the most desirable measures but the most difficult to use and analyze, as major system outcomes are generally derived from a variety of services, products and activities, and isolating the root cause of change is often very difficult.

[6] NASBO, *Investing in Results: Using Performance Data to Inform State Budgeting* (Summer 2014), available at *http://www.nasbo.org/investing-in-results*.

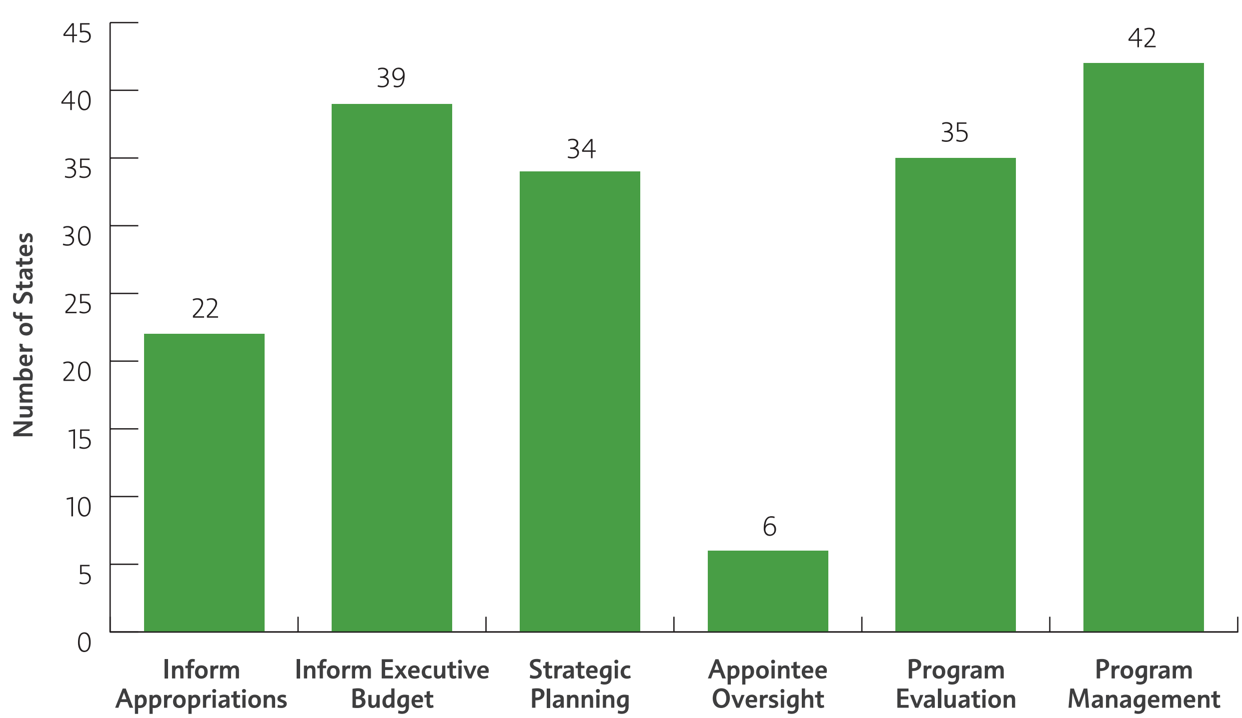
Most states that collect performance measures collect a variety of types of measures. According to the data presented in Table 27, a majority of states (30) collect all four types of performance measures listed above, while another 10 states collect three out of the four common types. Other types of performance measures that states indicated they collect include measures of effectiveness, quality, and customer satisfaction. Utah also cited the state-developed ratio measure (Quality and Throughput/Operating Expense), which is described in more detail in NASBO's *Investing in Results* report.

Table 28 provides detail on how performance measure are reported, some of the key requirements around performance measures, and the entities responsible for managing certain elements of performance measurement. The most common method used to report performance measures and actual performance data is through the budget document (29 states), followed by on a statewide performance website (17 states) and in a stand-alone separate document (15 states). A number of states use multiple methods to report performance measures. Performance measures are required as part of each agency budget request in 40 states, and 24 states formally review or audit performance measures on a regular basis. Staff training on performance budgeting is regularly provided to non-budget agency staff in nine states. The state budget agency plays a significant role in the performance measurement process in a majority of states. The budget office manages the collection and reporting of performance measures in 35 states, either independently or more often in collaboration with other entities (such as agencies). In 29 states, the budget office also helps determine which performance measures are reported. Thirty-one states reported having a statutory requirement currently in place regarding performance measures, with most of these laws having been enacted during the 1990s or later.

Using Performance Information (Table 29)

How performance measures are actually used in state government is a subject of great interest for public policy and administration academics and practitioners alike. While this topic raises issues that are more subjective and complex, and therefore more difficult to present in a tabular manner, Table 29 aims to provide a snapshot of the use of performance data by states, as reported by

Figure 8: How Performance Measures Are Used by States



budget offices. The most common use of performance measures identified is to support internal agency or program management (42 states), followed by informing the executive budget recommendations (39 states), **program evaluation** (35 states), and strategic planning and setting priorities (34 states). Fewer (22 states) reported that performance measures are used to inform legislative actions on appropriations, and only six states said performance measures are used to help oversee the performance of gubernatorial appointees. Hawaii and Nevada explained in footnotes how performance measures are used in their states, while Arkansas and Ohio were the only states to respond that performance measures are not used.

Not surprisingly, Louisiana, New Jersey, Texas and the District of Columbia, which reported using performance budgeting as their primary budget approach in Table 12, all reported using performance measures to inform executive budget recommendations and to inform legislative action on appropriations in Table 29.

Government Transparency (Tables 30 and 31)

Many state governments have taken steps to increase public transparency as part of the general trend towards "open government" and as technology has made data-sharing easier and more affordable. Performance measures can be published online to help states communicate to the public how government services are performing, while making spending information available online can demonstrate how tax dollars are actually being utilized.

Twenty-six states reported having a performance measure website, and the URL addresses for these websites can be found in Table 30. Nearly all states make actual expenditure information (not just proposed or enacted budget information) available online, as shown in Table 31. The most common entity responsible for overseeing a state's spending transparency website is the finance and/or administration department (23 states), followed by the budget agency (16 states) and comptroller's office (13 states). The governor's office, auditor's office, treasurer's office, and other entities also sometimes serve in this oversight role. Thirty-four states have passed legislation requiring state spending data to be provided online. The URL addresses for state spending transparency websites are listed in Table 31.

State Management Initiatives and Role of the Budget Office (Table 32)

Past editions of NASBO's *Budget Processes in the States* have included management analysis as a possible function performed by the state budget agency. According to Table 2 of this publication, the budget office performs this function in 41 states. Given the broad nature of this function, Table 32 aims to break this down further, particularly since the management role of the budget office is expanding in some states. Most states indicated at least one task performed on a regular basis as part of the management analysis function. The most common of these is providing management consulting advice to department and agency leadership (30 states), followed by management reviews of departments (26 states). Twenty-two budget offices play a role in developing, implementing or overseeing the state's performance management system, while the same number play a role in statewide management initiatives. A number of budget offices also conduct studies on reorganization/consolidation (20 states) and on efficiency (19 states). The executive branch can reorganize departments without legislative approval in 20 states. Eight state budget offices played a management role in an e-government initiative.

Twenty-two states reported having adopted a formal approach to improving the management and efficiency of state government, such as Lean, in the past five years. These initiatives are described in more detail in Table 32.

Table 27: Collecting Performance Measures

State	Level of Performance Measures Collected				Types of Performance Measures Collected					
	Statewide quality of life measures	Agency-level performance measures	Program-level performance measures	Other**	Input	Output	Efficiency	Outcome	None	Other**
Alabama		X			X	X	X	X		
Alaska*	X	X	X		X	X	X	X		
Arizona		X	X		X	X	X	X		
Arkansas									X	
California*									X	
Colorado		X	X		X	X	X	X		
Connecticut		X	X		X	X	X	X		
Delaware		X	X		X	X	X	X		
Florida	X	X	X		X	X	X	X		
Georgia			X		X	X	X	X		
Hawaii			X							X
Idaho		X	X		X	X	X	X		
Illinois		X	X		X	X	X	X		
Indiana		X	X		X	X	X	X		
Iowa*		X	X		X	X	X	X		
Kansas		X	X		X	X		X		
Kentucky		X	X		X	X	X			
Louisiana*		X	X		X	X	X	X		
Maine										
Maryland	X	X	X		X	X	X	X		X
Massachusetts		X	X		X	X	X	X		
Michigan*	X	X	X		X	X	X			
Minnesota	X	X	X		X	X	X	X		
Mississippi		X	X			X	X	X		
Missouri	X	X	X		X	X	X	X		
Montana			X					X		
Nebraska			X		X	X	X	X		
Nevada*	X		X			X	X	X		
New Hampshire			X		X	X		X		
New Jersey	X	X	X		X	X	X	X		
New Mexico		X	X		X	X	X	X		
New York*		X	X		X	X		X		
North Carolina			X		X	X	X	X		
North Dakota*		X	X							
Ohio									X	
Oklahoma	X	X	X		X	X	X	X		
Oregon	X	X	X		X	X	X	X		
Pennsylvania		X	X		X	X	X	X		
Rhode Island		X	X			X		X		
South Carolina		X	X		X	X		X		
South Dakota		X	X		X	X				
Tennessee		X			X	X		X		X
Texas		X	X		X	X	X	X		
Utah*		X	X	X	X	X	X	X		X
Vermont		X	X		X	X	X	X		
Virginia*	X	X	X		X	X	X	X		
Washington		X	X		X	X	X	X		
West Virginia		X	X		X	X	X	X		
Wisconsin			X			X	X	X		
Wyoming	X		X							
District of Columbia*		X	X		X	X	X	X		
Totals	**12**	**37**	**44**	**1**	**38**	**42**	**35**	**40**	**3**	**4**

* See Notes to Table 27 on page 133.
** For states that responded "Other" see descriptions on page 133.

Table 27: Additional Details and Notes

Other Level of Performance Measures Collected

Utah	"System-level" performance measures, which sometimes aligns with programs and sometimes doesn't

Other Type of Performance Measures Collected

Hawaii	Measures of effectiveness, target groups, and program activities
Maryland	Quality
Tennessee	Customer Satisfaction
Utah	We use a measure QT/OE (Quality&Throughput/OperatingExpense), only partially developed in some agencies

Notes to Table 27

Alaska	Some departments collect quality of life measures.
California	There is limited use of output performance measures in selected departments.
Iowa	State agency strategic plans, performance plans, and performance reports are available online.
Louisiana	All types of measures are collected depending on the information that would be most useful to the public.
Michigan	Strategy, budgets and metrics are linked through agency scorecards published at http://www.michigan.gov/openmichigan.
Nevada	Statewide measures were introduced with the 2013-2015 Executive Budget. See pdf pages 43 - 53: http://budget.nv.gov/uploadedFiles/budgetnvgov/content/StateBudget/FY_2014-2015/Nevada_Executive_Budget_2013-2015.pdf
New York	New York's financial planning and budget process incorporates program-level performance measures.
North Dakota	Performance measures are not required but a number of agencies and programs do have performance measures.
Utah	We currently have a group of Operational Excellence individuals within the budget office who are focusing specifically on performance measures and efficiencies of programs in Executive Branch agencies.
Virginia	Department of Planning and Budget maintains the Agency Strategic planning function as part of Performance Budgeting System. These measures may be accessed through the Council on Virginia's Future website, referenced elsewhere.
District of Columbia	Performance measures are collected by the Office of the City Administrator (under the Mayor) and published in the budget book by the Office of Budget and Planning (under the CFO).

Table 28: Reporting Performance Measures

State	Method for reporting performance measures and actual performance data					Performance measure requirements			
	In one section of the budget document	Throughout budget document	Through the appropriations act	In a stand-alone, separate document	On a statewide performance website	Required as part of each agency budget request	Formally reviewed or audited on a regular basis	Reviews or audits are included in a formal report	Performance budgeting training regularly provided to non-budget agency staff
Alabama				X			X	X	
Alaska*		X	X			X	X		
Arizona		X		X		X			
Arkansas									
California									
Colorado				X	X		X	X	X
Connecticut		X				X			
Delaware		X				X			X
Florida			X	X			X	X	
Georgia		X				X	X		
Hawaii*		X		X		X	X		
Idaho*	X				X	X	X		
Illinois		X		X	X	X	X		
Indiana					X	X	X	X	
Iowa*	X			X	X		X		
Kansas*	X					X			
Kentucky		X				X			
Louisiana		X				X	X		
Maine									
Maryland*		X		X		X			
Massachusetts				X	X	X	X	X	X
Michigan*		X		X	X	X	X		
Minnesota*		X			X	X			X
Mississippi	X		X			X			
Missouri*		X				X		X	
Montana					X	X			
Nebraska		X				X	X		
Nevada*		X				X			
New Hampshire		X				X			
New Jersey		X		X	X	X	X		
New Mexico	X		X			X	X		X
New York		X							
North Carolina		X				X			
North Dakota*	X								
Ohio									
Oklahoma		X			X	X		X	
Oregon*		X		X		X	X		X
Pennsylvania		X			X	X	X		X
Rhode Island		X			X	X	X	X	
South Carolina*				X	X	X	X		
South Dakota		X				X			
Tennessee*		X			X	X	X		
Texas		X	X			X	X	X	
Utah*					X	X	X		
Vermont		X		X		X			
Virginia*					X	X	X	X	X
Washington		X				X			
West Virginia	X					X			X
Wisconsin	X					X			
Wyoming		X		X		X			
District of Columbia*		X			X	X	X		
Totals	**8**	**29**	**5**	**15**	**17**	**40**	**24**	**10**	**9**

* See Notes to Table 28 on page 136.
** For states that responded "Other" see descriptions on page 136.

Table 28: Reporting Performance Measures (continued)

State	Manages collection and reporting of performance measures		Determines which performance measures are reported		Statutory requirement for performance measures	
	Budget Agency	Other entities	Budget Agency	Other entities	Yes	Year enacted
Alabama	X			A	X	1976
Alaska*	X	A	X	L,A	X	
Arizona	X		X	A	X	1993
Arkansas						
California						
Colorado	X	A	X	A	X	2013
Connecticut	X	L,A	X	L,A	X	1982
Delaware	X	A	X	A	X	1996
Florida	X	A	X	L,G,A	X	2000
Georgia	X		X			
Hawaii*	X	A	X	A	X	1970
Idaho*	X			L	X	2005
Illinois	X		X	G,A	X	2010
Indiana		O**		O**		
Iowa*	X	A	X	A	X	2001
Kansas*		A	X			
Kentucky		A	X	A		
Louisiana	X		X	A	X	1997
Maine						
Maryland*	X		X	A	X	2004
Massachusetts	X	A	X	G,A	X	2012
Michigan*		G,A		G,A		
Minnesota*	X	A	X	A	X	1998
Mississippi	X	L,A		L	X	1992
Missouri*	X	A	X	L,G,A	X	2003
Montana		A		A	X	
Nebraska	X	A		A	X	2012
Nevada*	X	A	X	A	X	1991
New Hampshire		A		A		
New Jersey	X	O**	X	O**		
New Mexico	X	L,A	X		X	1999
New York	X	G	X	G		
North Carolina		G		G		
North Dakota*						
Ohio						
Oklahoma	X	A	X	G	X	1994
Oregon*	X		X	L	X	1993
Pennsylvania	X		X			
Rhode Island	X		X	G,A	X	1996
South Carolina*	X	G		A	X	1962
South Dakota	X	A	X	A	X	1985
Tennessee*		G,O**		A,O**	X	2002
Texas	X	L	X			
Utah*		G		L,G		
Vermont	X	A,O**		A,O**	X	2014
Virginia*	X	O**	X	A,O**	X	2003
Washington	X		X		X	1993
West Virginia	X	A		A		
Wisconsin	X			A	X	1977
Wyoming		G,O		G,O		
District of Columbia*	X	G,A		G,A	X	2001
Totals	**35**		**29**		**31**	

* See Notes to Table 28 on page 136.
** For states that responded "Other" see descriptions on page 136.
Codes G=Governor's Office L=Legislature A=Agency/Department O=Other

Table 28: Additional Details and Notes

Other Entities that Manage Collection and Reporting of Performance Measures

Indiana	Government Efficiency and Financial Planning division of OMB
New Jersey	Office of the State Treasurer
Tennessee	The Office of Customer Focused Government within the Department of Finance and Administration.
Vermont	Chief Performance Officer within the Agency of Administration
Virginia	Council on Virginia's Future

Other Entities that Determine which Performance Measures are Reported

Indiana	Government Efficiency and Financial Planning division of OMB
New Jersey	Office of the State Treasurer
Tennessee	The Office of Customer Focused Government within the Department of Finance and Administration
Vermont	Chief Performance Officer within the Agency of Administration
Virginia	Council on Virginia's Future

Notes to Table 28

Alaska	Performance Measures Statutes: AS 37.07.040 (10) & AS 37.07.050 (f)(2),(3),(8)
Hawaii	Development of measures is coordinated between departments and executive budget agency.
Idaho	Performance Measures are required to be submitted at the same time as the budget request but as a separate document. Each agency is to present the information orally to its corresponding Senate or House of Representatives germane committee each year.
Iowa	Statutory requirement—Chapter 8E State Accountability (Accountable Government Act)
Kansas	State law requires the Board of Regents to review the performance indicators developed by the post-secondary educational institutions and then use those in a formal performance agreement process that can result in funding reductions for failure to meet agreed upon outcomes. Other state agencies do not have such statutory requirements in place.

Notes to Table 28 (continued)

Maryland	Performance measurement program was first implemented in 1998, but was not codified until 2004.
Michigan	1) Measures are reported through annual reports; press releases; newsletters; reports to citizens, stakeholders, elected officials, and to the governor; and through Michigan's Comprehensive Annual Financial Report. 2) Michigan's Open Government initiative implemented Michigan dashboards, outlining the state's performance in five key areas: economic strength, health and education, value for money government, quality of life, and public safety. Michigan dashboards align with individual agency scorecards to report agency performance information. The Governor's office determines performance measures used for broad policy vision; state agencies determine performance measures geared toward individual programs.
Minnesota	All agencies are required to include measures of the effectiveness of their programs and operations within agency budget documents and change requests.
Missouri	The statutory requirement was enacted in Section 33.210 RSMo, by SB 299 in 2003.
Nevada	http://www.leg.state.nv.us/NRS/NRS-353.html#NRS353Sec205 NRS 353.205 1.(b)(3); 1991 Statutes of Nevada, Page 2446 (Chapter 726, SB 156)
North Dakota	If agencies provide performance data in their budget request, that data is included in the Governor's budget documents.
Oregon	Performance measures reviewed by budget staff, the Legislative Fiscal Office, and Ways and Means Committee every other year.
South Carolina	Beginning with fiscal year 2014-15, the Executive Budget Office will be responsible for the administration of performance measures. Other requirements for agency accountability reports within the annual Appropriations Act.
Tennessee	The Governmental Accountability Act was amended in 2013 to require performance measures rather than performance-based budgeting, but retaining strategic planning and performance audit requirements.
Utah	The statewide performance website is currently an internal website. Through the Operational Excellence individuals in the Governor's Office of Management and Budget
Virginia	§2.2-2683-2689 created by General Assembly in 2003, their mission has been extended through July 2017.
District of Columbia	Performance measures are collected by the Office of the City Administrator (under the Mayor) and published in the budget book by the Office of Budget and Planning (under the CFO).

Table 29: Using Performance Measures

State	Internal agency/ program mgmt	Program evaluation	Oversight of gubernatorial appointee performance	Strategic planning and setting priorities	Inform executive budget recommendations	Inform legislative actions on appropriations	Other**	Not used/ Not applicable
Alabama	X							
Alaska	X	X	X	X	X	X		
Arizona	X	X			X			
Arkansas								X
California	X				X			
Colorado	X	X	X	X	X			
Connecticut					X	X		
Delaware	X	X		X	X	X		
Florida	X	X		X	X	X		
Georgia	X	X	X	X	X			
Hawaii							X	
Idaho	X	X		X	X	X		
Illinois	X	X		X	X	X		
Indiana	X	X	X	X	X	X		
Iowa	X			X				
Kansas	X	X			X			
Kentucky	X	X		X	X	X		
Louisiana	X	X		X	X	X		
Maine*	X							
Maryland	X			X	X	X		
Massachusetts	X	X		X				
Michigan	X	X		X	X			
Minnesota	X			X	X	X		
Mississippi	X	X		X		X		
Missouri	X	X		X	X	X		
Montana	X				X			
Nebraska	X				X	X		
Nevada							X	
New Hampshire	X							
New Jersey	X	X		X	X	X		
New Mexico	X	X		X	X			
New York	X	X		X	X			
North Carolina	X	X		X	X			
North Dakota	X	X		X	X			
Ohio								X
Oklahoma	X	X		X	X			
Oregon	X	X			X			
Pennsylvania	X	X		X	X	X		
Rhode Island	X	X		X	X			
South Carolina		X		X	X	X		
South Dakota	X	X		X	X	X		
Tennessee	X	X		X				
Texas	X	X	X	X	X	X		
Utah	X				X			
Vermont	X	X		X	X	X		
Virginia	X	X	X	X	X			
Washington	X	X		X	X			
West Virginia		X		X	X			
Wisconsin	X	X		X	X	X		
Wyoming		X			X	X		
District of Columbia	X		X		X	X		
Totals	**42**	**35**	**6**	**34**	**39**	**22**	**2**	**2**

* See Notes to Table 29 on page 139.
** For states that responded "Other" see descriptions on page 139.

Table 29: Additional Details and Notes

Other Uses of Performance Measures

Hawaii	Use varies between departments as well as within a department.
Nevada	Measures are reviewed by Executive budget analysts, may be reviewed by Legislative fiscal staff, and Legislators may ask questions about them.

Notes to Table 29

Maine	Agencies may utilize performance measures at the contract level.

Table 30: Performance Measures Websites

State	Website URL Address
Alabama	
Alaska	https://omb.alaska.gov/html/performance.html
Arizona	http://www.azospb.gov/StrategicPlan.asp
Arkansas	
California	
Colorado	https://sites.google.com/a/state.co.us/performance-planning-ospb/
Connecticut	http://www.cga.ct.gov/app/rba/
Delaware	
Florida	http://floridafiscalportal.state.fl.us/
Georgia	http://opb.georgia.gov/agency-performance-measures
Hawaii	
Idaho	http://www.dfm.idaho.gov/Publications/PerfRpt_Publications.html
Illinois	
Indiana	http://www.in.gov/omb/2342.htm
Iowa	http://www.resultsiowa.org/ and http://data.iowa.gov/
Kansas	
Kentucky	
Louisiana	http://www.doa.louisiana.gov/opb/lapas/lapas.htm
Maine	
Maryland	http://dbm.maryland.gov/agencies/Pages/MFRPerformanceReport.aspx
Massachusetts	http://www.mass.gov/informedma/massresults/
Michigan	http://www.michigan.gov/openmichigan
Minnesota	http://www.beta.mmb.state.mn.us/dashboard-mn
Mississippi	
Missouri	
Montana	http://www.budget.mt.gov/execbudgets/2015_Budget/2015_Budget.aspx
Nebraska	
Nevada	
New Hampshire	
New Jersey	http://www.yourmoney.nj.gov/transparency/performance/
New Mexico	
New York	
North Carolina	
North Dakota	
Ohio	
Oklahoma	okstatestat.ok.gov
Oregon	http://www.oregon.gov/DAS/CFO/Pages/KPM_mainpage.aspx
Pennsylvania	http://www.budget.state.pa.us/portal/server.pt/community/performance_reports/4677
Rhode Island	http://www.omb.ri.gov/performance/
South Carolina	http://www.scstatehouse.gov/reports/aar2014/aar2014.php
South Dakota	http://bfm.sd.gov/budget/rec15/index.htm
Tennessee	https://apps.tn.gov/cfgdash-app/
Texas	
Utah	
Vermont	
Virginia	http://vaperforms.virginia.gov
Washington	http://www.ofm.wa.gov/budget/manage/default.asp
West Virginia	
Wisconsin	http://doa.state.wi.us/Divisions/Budget-And-Finance
Wyoming	
District of Columbia	http://track.dc.gov/

Table 31: State Spending Transparency

State	Actual expenditure information available online	Who oversees your state's spending transparency website(s)?					
		Governor's Office	Comptroller's Office	Auditor's Office	Budget Agency	Finance/Administration Department	Other**
Alabama	X		X				
Alaska	X					X	
Arizona	X		X			X	
Arkansas	X					X	
California	X				X		
Colorado	X		X				
Connecticut*	X		X				X
Delaware	X					X	
Florida*	X	X	X				
Georgia	X			X			
Hawaii*	-		X		X		
Idaho	X		X				
Illinois*	X		X				
Indiana	X			X			
Iowa	X				X		
Kansas	X					X	
Kentucky	X					X	
Louisiana	X					X	
Maine	X					X	
Maryland	X				X		
Massachusetts	X	X	X		X	X	X
Michigan*	X				X		
Minnesota*	X				X	X	
Mississippi	X					X	
Missouri	X					X	
Montana	X					X	
Nebraska*	X				X	X	X
Nevada	X				X		
New Hampshire	X					X	
New Jersey*	X	X			X	X	X
New Mexico	X		X		X	X	
New York	X				X		
North Carolina	-						
North Dakota*	X				X	X	
Ohio*	X						
Oklahoma	X				X		
Oregon	X						X
Pennsylvania*	X					X	
Rhode Island	X		X				X
South Carolina	X		X				
South Dakota	X				X		
Tennessee	X					X	
Texas	X		X				
Utah	X					X	X
Vermont	X					X	
Virginia	X			X			
Washington	X				X		X
West Virginia	X			X			
Wisconsin	X					X	
Wyoming	X						
District of Columbia	X				X		
Total	**48**	**3**	**13**	**4**	**16**	**23**	**8**

* See Notes to Table 31 on page 143.
** For states that responded "Other" see descriptions on page 143.

Table continued on next page.

Table 31: State Spending Transparency (continued)

State	Legislation requiring online state spending data	Spending transparency website URL address
Alabama	X	http://www.open.alabama.gov/
Alaska	X	http://doa.alaska.gov/dof/reports/transparency.html
Arizona	X	http://openbooks.az.gov/app/transparency/index.html
Arkansas	X	http://transparency.arkansas.gov/Pages/default.aspx
California		http://www.ebudget.ca.gov/
Colorado	X	http://tops.state.co.us/
Connecticut*	X	http://www.transparency.ct.gov/html/main.asp; http://www.osc.ct.gov/openCT.html
Delaware		http://checkbook.delaware.gov/ State Procurement Card activity can be found at http://pcard.accounting.delaware.gov/"
Florida*	X	see footnotes
Georgia	X	http://www.open.georgia.gov/
Hawaii*	X	Currently not available.
Idaho		http://transparent.idaho.gov/Pages/transhome.aspx
Illinois*		www.ioc.state.il.us
Indiana		http://www.in.gov/itp/
Iowa	X	http://data.iowa.gov/
Kansas	X	http://kanview.ks.gov/
Kentucky	X	http://opendoor.ky.gov/Pages/default.aspx
Louisiana	X	http://wwwprd.doa.louisiana.gov/latrac/portal.cfm
Maine	X	http://opencheckbook.maine.gov/transparency/index.html
Maryland	X	http://spending.dbm.maryland.gov/
Massachusetts	X	http://opencheckbook.itd.state.ma.us/StateOfMass/HomePage/maintenance.html
Michigan*	X	http://media.state.mi.us/MiTransparency
Minnesota*	X	http://www.mn.gov/mmb/transparency-mn
Mississippi	X	http://www.transparency.mississippi.gov/
Missouri	X	http://mapyourtaxes.mo.gov/MAP/Portal/Default.aspx
Montana		http://checkbook.mt.gov/MTCheckbook/;jsessionid=Q9MtyTnfN5rRaC9lPwN83xty.undefined?0
Nebraska*	X	http://nebraskaspending.gov/
Nevada		http://open.nv.gov/
New Hampshire	X	http://www.nh.gov/transparentnh/
New Jersey*		http://www.yourmoney.nj.gov/
New Mexico	X	http://sunshineportalnm.com/
New York		http://www.openbudget.ny.gov/
North Carolina		
North Dakota*	X	http://data.share.nd.gov/pr/Pages/home.aspx
Ohio*		
Oklahoma	X	data.ok.gov AND openbooks.ok.gov
Oregon	X	https://data.oregon.gov/
Pennsylvania*	X	http://www.pennwatch.pa.gov
Rhode Island		http://www.transparency.ri.gov/
South Carolina	X	http://www.cg.sc.gov/fiscaltransparency/Pages/default.aspx
South Dakota	X	http://open.sd.gov/
Tennessee		http://www.tn.gov/opengov/
Texas	X	http://www.texastransparency.org/
Utah	X	transparency.utah.gov
Vermont		http://spotlight.vermont.gov/
Virginia	X	http://datapoint.apa.virginia.gov
Washington	X	http://www.fiscal.wa.gov/
West Virginia		http://www.transparencywv.org/
Wisconsin	X	http://openbook.wi.gov/
Wyoming		
District of Columbia		http://cfoinfo.dc.gov/cognos/finance.htm
Total	**34**	

* See Notes to Table 31 on page 143.

Table 31: Additional Details and Notes

Other Entities that Oversee State's Spending Transparency Website

Connecticut	Legislative fiscal office
Massachusetts	Office of the State Treasurer and Receiver General
Nebraska	State Treasurer's Office
New Jersey	Office of the State Treasurer
Oregon	Office of the Chief Information Officer
Rhode Island	Office of Digital Excellence
Utah	Transparency advisory board
Washington	Legislative Evaluation and Accountability Program Committee

Notes to Table 31

Connecticut	The Governor's Office also implemented an open data portal, which is accessible at https://data.ct.gov/.
Florida	We have 2 sites: 1- http://www.transparencyflorida.gov/ 2- http://www.myfloridacfo.com/transparency/.
Hawaii	We are currently working to implement a spending transparency website.
Illinois	Although the Comptroller's office is not required by law to make state spending data available online, it has done so voluntarily for over 10 years.
Michigan	State law requires each agency to provide a link to the state's spending transparency website for expenditure information as defined in statute. The website is maintained by the State Budget Office.
Minnesota	The initial transparency site created in 2009 is being redeveloped in conjunction with new state accounting and procurement system. Anticipated release is December 2014.
Nebraska	The State Treasurer's Office administers the statutorily required spending transparency website. The Department of Administrative Services—Accounting Division and the Budget Office also make state spending data available online.
New Jersey	While the State has not passed legislation requiring it, the Governor signed Executive Order 8 (2010) to require the State to provide spending data online.

Notes to Table 31 (continued)

North Dakota	The Budget Agency and the Finance/Administration Department are one and the same in ND.
Ohio	The Monthly Economic Summary and State Financial Report provides monthly and year-to-date general revenue fund expenditure and revenue amounts.
Pennsylvania	Agency expenditure data are also available on the Governor's Budget Office website at: http://www.budget.state.pa.us/portal/server.pt/community/current_and_proposed_commonwealth_budgets/4566.

Table 32: Management and Operations Analysis

State	Tasks performed on a regular basis as part of the management analysis function within budget office: Management reviews of departments or agencies	Reorganization or consolidation studies	Economy and efficiency studies	Management consulting advice to department and agency leadership	Develop/ implement/ oversee statewide management initiative	Develop/ implement/ oversee e-government initiative	Develop/ implement/ oversee performance management system	Other**	Reorganize departments without legislative approval
Alabama	X						X		X
Alaska*	X			X	X		X		X
Arizona*		X		X					X
Arkansas									
California*									
Colorado				X	X		X		
Connecticut	X	X			X	X			
Delaware	X	X	X	X	X	X	X		
Florida	X	X	X	X	X	X			X
Georgia		X							
Hawaii								X	X
Idaho	X	X		X	X				X
Illinois*					X		X		X
Indiana*				X					X
Iowa	X			X			X		
Kansas*		X							
Kentucky		X	X		X				X
Louisiana*									X
Maine	X	X	X	X	X				
Maryland			X		X				X
Massachusetts							X		
Michigan*	X		X	X	X				X
Minnesota	X			X					X
Mississippi			X	X			X		
Missouri*	X		X	X			X		
Montana	X	X	X	X	X	X			X
Nebraska	X		X	X	X		X		
Nevada							X		
New Hampshire				X					
New Jersey	X		X	X			X		
New Mexico	X	X	X	X	X	X	X		
New York	X	X	X	X	X				
North Carolina*	X	X	X	X	X	X	X		X
North Dakota	X	X	X	X	X	X			
Ohio*	X			X					
Oklahoma		X	X				X		
Oregon*	X	X		X			X		
Pennsylvania*	X	X	X		X	X	X		X
Rhode Island	X	X		X	X		X		
South Carolina	X			X			X		
South Dakota									X
Tennessee*									
Texas*	X	X		X					
Utah	X		X	X	X		X		
Vermont				X	X		X		
Virginia*		X							X
Washington*	X		X	X	X		X	X	
West Virginia				X					X
Wisconsin*									X
Wyoming									
District of Columbia									
Totals	**26**	**20**	**19**	**30**	**22**	**8**	**22**	**2**	**20**

* See Notes to Table 32 on page 148.
** For states that responded "Other" see descriptions on page 148.

Table continued on next page.

Table 32: Management and Operations Analysis (continued)

State	Has state adopted formal approach to improving government efficiency/management in last 5 years?	
	Yes	If so, what agency oversaw the approach? Briefly describe approach.
Alabama		
Alaska*	X	Performance Measures, Some departments have used the LEAN Management System
Arizona*	X	Department of Administration
Arkansas		
California*	X	Department of Finance
Colorado	X	The Governor's Office of State Planning and Budgeting oversees Colorado's statewide performance planning and process improvement effort. Our focus is to strive for continuous improvement throughout the entire State in the processes we employ to deliver goods and services to customers of Colorado government.
Connecticut	X	The Office of Policy and Management is charged with state oversight of LEAN.
Delaware		
Florida		
Georgia		
Hawaii		
Idaho	X	Each agency underwent a modified zero base budgeting (ZBB) and program prioritization process during the current Governor's administration.
Illinois*		
Indiana*	X	Government Efficiency and Financial Planning division of OMB
Iowa	X	
Kansas*		
Kentucky	X	Smart Government Initiative
Louisiana*	X	The Division of Administration contracted with Alvarez & Marsal to take an outsider's view of ways to improve the management and efficiency of state government. The state is implementing the recommendations now and the next few years.
Maine		
Maryland		
Massachusetts	X	
Michigan*	X	Michigan's Office of Good Government (OGG) provides standards, tools, programs and information to state departments and agencies to drive government reinvention and to foster a sustainable culture of continuous improvement. Since 2012, OGG has engaged external experts to assist state departments and agencies in these efforts through a partnership with the Michigan Lean Consortium; provided Lean Green Belt certification training; promoted learning and awareness through guest speakers and special events; and celebrated successes through newsletters and recognition programs. The OGG is currently engaged in a state-wide initiative to promote standard Lean and continuous improvement methodology and related training and support services. OGG serves the state of Michigan in a centralized role for Lean and continuous improvement efforts; specific projects are generally identified, prioritized, and managed by individual state departments where accountability for the projects resides.
Minnesota	X	The Department of Administration's Office of Continuous Improvement offers a number of programs and services available to all state agencies. They utilize numerous improvement approaches, including Lean, Six Sigma, Total Quality Management and others.
Mississippi		
Missouri*		
Montana		
Nebraska		
Nevada		
New Hampshire	X	The Department of Administrative Services Division of Personnel has taken the lead in offering training to State agencies on LEAN and in hosting and coordinating LEAN workgroups across agencies.
New Jersey	X	New Jersey has instituted performance-based budgeting to track the operations and performance of each department of State government, with a particular focus on effectiveness, efficiency, timeliness and service quality. The Office of the State Treasurer and the Office of Management and Budget oversee it.
New Mexico		
New York		
North Carolina*	X	NC Government and Efficiency Review section in the Office of State Budget and Management. It was created by the Governor and General Assembly "to develop a strategic transformation plan for state government." The initiative is performing a broad analysis of the entire executive branch. The NC GEAR team will then develop a comprehensive package of reforms to be considered by the Governor and Legislature early next year. Its goals are to improve the efficiency, effectiveness, customer service, and sustainability of our state government.
North Dakota		
Ohio*		
Oklahoma	X	OMES
Oregon*		
Pennsylvania*		
Rhode Island	X	LEAN process improvement has been undertaken by several agencies over the past few years. The Office of Management and Budget has taken a leadership role in overseeing LEAN projects.
South Carolina		

Table continued on next page.

Table 32: Management and Operations Analysis (continued)

State	Has state adopted formal approach to improving government efficiency/management in last 5 years?	
	Yes	If so, what agency oversaw the approach? Briefly describe approach.
South Dakota		
Tennessee*	X	The Office of Consulting Services within the Department of Finance and Administration
Texas*		
Utah	X	Governor's Office of Management and Budget through the Operational Excellence (SUCCESS) Program, which incorporates aspects of Theory of Constraints, LEAN, Six Sigma, etc.
Vermont	X	Agency of Administration - Results Based Accountability
Virginia*		
Washington*	X	Three agencies provide oversight: Joint Legislative Audit and Review Committee conducts objective performance audits and other studies and reviews on behalf of the Legislature and the citizens of Washington. The State Auditor's Office conducts performance audits on behalf of Washington citizens. And Results Washington calls on state agencies to apply Lean thinking and tools, report regularly on their progress on the Governor's five goals and be accountable for making improvements and delivering results for the citizens of Washington through regularly held review meetings.
West Virginia		
Wisconsin*		
Wyoming		
District of Columbia		
Totals	**22**	

* See Notes to Table 32 on page 148.

Table 32: Additional Details and Notes

Other Management Analysis Tasks Performed by Budget Office

Hawaii	Changes in organization at the branch level or above are subject to review and acknowledgement by the budget agency.
Washington	Provides LEAN training sessions.

Notes to Table 32

Alaska	AS 44.17.020 & AS 44.17.070 govern the reorganization of departments without legislative approval
Arizona	Some activities of agencies may be strictly defined by statute, which would limit the Governor's ability to reorganize those parts of a department without legislative approval.
California	The Department of Finance has been directed to incorporate program evaluation methods into its budgeting process including zero-based budgeting, performance measures, audits, and cost-benefit analyses.
Illinois	The Governor's authority to reorganize departments extends only to those agencies directly responsible to the Governor, per the Constitution. State law defines which agencies are "directly responsible to the Governor" as it relates to this authority.
Indiana	Executive Orders and MOUs may be used to reorganize departments as long as these actions do not contradict statutes.
Kansas	Executive branch agencies can reorganize internally but redistributing responsibilities across agencies would require approval of an Executive Reorganization Order (ERO).
Louisiana	Individual agencies have independently utilized LEAN Sigma 6 to improved processes within its offices. The budget office is scheduled to participate in this in the future. Statutory limitations on departmental reorganizations vary between agencies. For example, certain programs are statutorily required which would limit any reorganization without legislative approval.
Michigan	1) State law requires the State Budget Director to provide for the evaluation of state programs, planning and evaluation of state financial resources to programs and activities, and concurrently evaluate administrative management and performance in accordance with approved public policy; and to review for cost, program impact, and departmental organization. 2) The governor has constitutional authority to organize functions within the executive branch not subject to legislative review. However, the governor's executive order reorganization may be forestalled if disapproved by both houses of the Legislature within 60 days of issuance.

Notes to Table 32 (continued)

Missouri	The Governor can authorize a reorganization through an Executive Order, however, the General Assembly has the ability to disapprove the Executive Order. This must be done within the first 60 days of the legislative session.
North Carolina	Per Section 6.10 of SB 744—The Office of State Budget and Management shall report quarterly to the Joint Legislative Commission on Governmental Operations and the appropriate Joint Legislative Oversight Committee on reorganizations of State agencies and movements of State agency positions.
Ohio	The Office of LeanOhio works with state agencies to improve core business processes using the principles of Lean, Kaizen, and Six Sigma. While each state agency has a Lean Liaison, the use of these tools by agencies is not required.
Oregon	Department reorganization is dependent on the level of appropriation and cannot cross department/agency lines. The executive branch can reorganize the department/agency within an appropriation, but cannot cross appropriations.
Pennsylvania	The executive branch can reorganize departments within a single agency without legislative approval. Reorganizations involving more than one agency require legislative approval.
Tennessee	The Office of Consulting Services conducts regular classes in LEAN Principles and facilitating LEAN projects for all state agencies. The consultants also facilitate LEAN projects for state agencies if requested.
Texas	Intra-agency would not require legislative approval, but inter-agency would require legislative approval.
Virginia	Reorganization & consolidation studies are conducted on an as needed basis.
Washington	Website for Governor's Office of Results Washington: http://www.results.wa.gov/.
Wisconsin	The executive branch can approve reorganizations that do not require transfers between appropriations. The state is currently using LEAN to review and improve certain practices.

Glossary

Allotment	Part of an appropriation that may be expended or encumbered during a given period.
Base	The base is the component of a budget request or recommendation which reflects previous fiscal year appropriations. It may include inflation for an agency's ongoing programs.
Bond Rating	A judgment of credit quality based on detailed analysis of specific data given to a state by a rating agency such as Moody's Investors Service, Standard and Poor's Corporation, and Fitch's Investors Service. Factors that are evaluated in determining bond ratings include a state's ability to raise taxes, sovereignty, and the relative size and diversity of a state's economic base.
Budget	A budget is a plan for the expenditure of funds to support an agency, program, or project.
Capital Budget	The capital budget is the budget associated with acquisition or construction of major capital items, including land, buildings, structures, and equipment. Funds for these projects are usually appropriated from surpluses, earmarked revenues, or from bond sales.
Consensus Forecast	A revenue projection developed in agreement through an official forecasting group representing both the executive and legislative branches.
Contingency Fund	A fund set apart to provide for unforeseen expenditures or for anticipated purposes of uncertain amounts.
Current Services	Current services is a budget recommendation or request that encompasses the base budget plus allowances for addressing demand such as caseload growth or phased-in statutory responsibilities.
Debt Management	Negotiate and manage issuance of bonds and refunding.
Earmarked Revenues	Earmarked revenues are the designation of certain sources of revenue for support of specific programs or agencies by statutory or constitutional provision.
Economic Analysis	Analysis of the national and state economy to develop predictions on level of state business activity and personal income.
Efficiency Measure	This represents as a ratio how much output was obtained per unit of input. An example would be the cost per invoice produced (input divided by output) or invoices processed per employee (output divided by input).
General Fund	Refers to revenues accruing to the state from taxes, fees, interest earnings, and other sources which can be used for the general operation of state government. General fund revenues are not specifically required in statute or in the constitution to support particular programs or agencies.

Incremental Budgeting	An approach to budgeting that generally requires explanation or justification only for additions or deletions to current budgeted or "base" expenditures. Funding decisions are made on the margin, based on the justifications for spending increases or decreases of operating agencies or programs.
Input Measure	This is a measure of the amount of resources provided or used to carry out a program. This is often reported as a dollar amount but can also include other inputs, such as full-time employees (FTEs).
Item Veto	Veto power that allows the governor to reject particular items in a piece of legislation such as a sentence, paragraph, or part of a sentence.
Line-Item Budgeting	An approach to budget development, analysis, authorization and control that focuses on objects or lines of expenditures (for example, personnel, supplies, contractual services, capital outlay).
Line Item Veto	A provision that allows a governor to veto components of the legislative budget on a line-by-line basis.
Lump Sum Appropriations	Made for a state purpose, or for a named department, without specifying further the amounts that may be spent for particular objects of expenditure. An example is an appropriation for the corrections department that does not specify the amounts to be spent for salaries and wages, travel, equipment, and so forth.
Management Analysis	Studies and assistance to agencies on organization procedures and systems.
Mandate	A law, policy, program or provision that is passed by one level of government but applies to another's.
Nonrecurring/One-Time Appropriation	An appropriation made for one-time items or projects. Examples include capital or major equipment purchases, special studies, and information technology upgrades.
Object Classification	Analysis of obligations and expenditures according to the types of services, articles, or other items involved, e.g., personal services, supplies, materials, or equipment, as distinguished from the purpose for which such obligations are incurred.
Ongoing Appropriation	This type of appropriation is made for ongoing programs for which future appropriations will have to be made.
Operating Budget	The budget established for operation of a state agency or program, typically based on legislative appropriation.
Organizational Unit	A budget format that assigns expenditures by department level, without specification as to what the funding level is for specific programs.
Outcome Measure	This is a measure of the result associated with a program or service. Outcome measures can be short- or long-term results that can be directly linked to a government program or service. Examples include the percentage of students reading at grade level, air quality, or the traffic fatality rate. Outcome measures are often the most desirable measures but the most difficult to use and analyze, as major system outcomes are generally derived from a variety of services, products and activities, and isolating the root cause of change is often very difficult.

Output Measure	This is a measure of the quantity of service, product or activity performed or provided. Examples include the number of students enrolled in a school district or the number of driver's licenses generated.
Performance Budgeting	This budgeting approach also tends to use programs or activities as budget units, and presents information on program goals and performance. This budget system places emphasis on incorporating program performance information into the budget development and appropriations process, and allocating resources to achieve measureable results.
Program Budgeting	An approach to budget formulation and appropriations that identifies programs or activities, rather than line items, as the primary budget units, and presents information on program missions, goals and effectiveness. This information intends to aid the executive and legislature in understanding the broader policy implications of their funding decisions and the expected results of services to be carried out by programs.
Program Evaluation	Preparation of reports with detailed analytical support to determine to what degree programs are effective and are accomplishing their objectives.
Revenue Estimating	The process used by a state to project available revenues for the support of operating costs and capital outlays in the current and future fiscal years.
Structural Deficit	Structural deficits occur when growth in spending needed to maintain current services and growth in revenues from current taxes and other revenue sources are inconsistent.
Supplemental Appropriation/Budget	A supplemental appropriation is an appropriation made to an agency or program during the current operating fiscal year to cover unforeseen events, projected over expenditures, or to replace revenue shortfalls. It can also refer to changes made for the second year of a state's biennial (two-year) budget.
Tax Expenditure	Revenue foregone because of special tax exemptions, deductions, exclusions, credits, preferential tax rates, or deferrals.
Trust Funds	Amounts received or appropriated and held in trust in accordance with an agreement or legislative act which may be expended only in accordance with the terms of such trusts or act.
Zero-Based Budgeting	A systematic approach to planning and budgeting that subjects all expenditures to justification (in contrast to incremental budgeting). Funding requests, recommendations and allocations for existing and new programs are usually ranked in priority order on the basis of alternative service levels, which are lower, equal to and higher than current levels. A modified zero-base budgeting (ZBB) approach may use a spending baseline above zero (e.g., 80 percent of the current spending level) or apply the process to programs on a rotating basis so that only a portion of programs are subject to ZBB each budget cycle.

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