

## OVERVIEW OF STATE BUDGET PROCESS AND TIMELINE

To engage in appropriations advocacy, it is essential to understand the state budget process and timeline so your advocacy campaign can leverage key moments. See below for an overview of state budget processes and timelines and a list of resources with additional, state-specific information.

### THE BUDGET PROCESS

1. State budget cycles begin with a revenue forecast. This process aims to estimate a projection of state revenue for the upcoming year. This forecast is essential for the Governor and state agencies to put together a proposed budget because, unlike the federal budget, the vast majority of states require a balanced budget.
  - While most states have balanced budget rules, the actual requirements vary: [44 states require the governor to propose a balanced budget; in 41 states, the legislature must pass a balanced budget; and in 40 states, the governor must sign a balanced budget](#). In some states, like Vermont, the legislature is not required to pass a balanced budget, the governor is not required to sign one, and deficits may be carried over into the following year.
  - States vary in terms of how they [develop revenue forecasts](#): 28 states use a consensus process, including the governor's office and legislature; in 12 states, the executive and legislature develop separate, competing forecasts; and, in 10 states, the executive solely develops the forecast.
  - States vary in terms of when and how often per year they release budget forecasts.
2. The state budget office shares budget guidance with state agencies. This includes the revenue forecast, spending targets, other relevant financial information, and guidance on the governor's policy priorities.
3. State agencies submit a budget request for the departments, programs, and services they oversee to the governor's office, where the state budget office reviews them.



**TIP:** This is a critical behind-the-scenes period for your appropriations advocacy campaign. Make your case to *both* the state agency and the governor's office for the funding you need because you're more likely to be successful if your request is in the governor's proposed budget. And long term it is best to have relationships with the state agencies that will be responsible for spending the dollars and administering the program once appropriated!

4. The governor finalizes and submits the budget to the legislature.
5. The state legislature takes up consideration of the governor's proposed budget. This typically includes both chambers holding legislative committee hearings, public hearings, and considering amendments to the budget. This results in each chamber passing its own version of the bill, followed by a conference committee to resolve differences between the two versions before final votes to approve.
  - In some states, the state legislature puts together its own budget bill that is considered concurrently with the governor's proposed budget.
6. The legislature sends the adopted budget back to the governor, where they typically have 3 options: approve the budget, veto it, or line-item veto specific parts.
  - Some states do not allow line-item vetos.



**TIP:** This period is where your appropriations advocacy campaign will be most active, engaging in lobbying, communications, and mobilization.

## BUDGET TIMELINES

- State budget fiscal years run from July 1 to June 30 (AL, DC, MI, NY, and TX run on different schedules).
  - ▶ [30 states operate on annual budget cycles, while 20 states operate on biennial budget cycles.](#)
- The general timeline for state budget and appropriations processes is as follows:
  - ▶ **JUL-AUG:** Budget guidelines are sent to state agencies
  - ▶ **SEPT-OCT:** Agency budget requests are submitted to the governor's office
  - ▶ **SEPT-NOV:** Agency requests are reviewed by the state budget office
  - ▶ **NOV-DEC:** Governor finalizes budget recommendations
  - ▶ **JAN:** Governor submits budget to the legislature
  - ▶ **FEB-JUN:** Legislature holds hearings, amends, and adopts the state budget

## RESOURCES

- [State Budget Basics](#), Center on Budget and Policy Priorities
- [Budget Processes in the States](#), National Association of State Budget Officers
- [State Revenue Forecasts](#), National Association of State Budget Officers
- [State Fiscal Briefs](#), Urban Institute
- [Balanced Budget Requirements](#), Urban Institute
- [Budget Processes in the States](#) (page 11), National Association of State Budget Officers
- [State and Local Budget Resources](#), Children's Funding Project