

THE ROLE OF THE JOINT BUDGET COMMITTEE (JBC)

In most states, the executive branch initiates the main appropriation bill for the ongoing operations of state government. Colorado, however, has a strong legislative budget process. The General Assembly's permanent fiscal and budget review agency, the Joint Budget Committee (JBC), writes the annual appropriations bill - called the Long Bill - for the operations of state government. The JBC has six members: the Chairman and one majority and one minority member of the House Appropriations Committee, and the Chairman and one majority and one minority member of the Senate Appropriations Committee. Members serve two-year terms and are selected following the general election. Traditionally, the Senate elects its JBC members. In the House, the Speaker appoints the majority party members, and the minority party elects its member. The chairmanship alternates between the Chairmen of the Senate and House Appropriations Committees. The House and Senate calendars reflect the Joint Budget Committee's schedule during the legislative session.

Statutes charge the Joint Budget Committee with analyzing the management, operations, programs, and fiscal needs of the departments of state government. The state Constitution requires a balanced budget. The Committee holds hearings and reviews the executive budget requests for each state agency and institution.

THE STAFF OF THE JOINT BUDGET COMMITTEE

The Committee has a non-partisan staff of fourteen analysts and two support staff and one staff director. The departments and programs of state government are divided among the JBC staff analysts. Analysts review budget requests, prior year staff write-ups, statutes, appropriations reports, audit reports, interim committee reports, other pertinent information, and meet with agency personnel and other individuals to learn about programs, departments and their operations.

BUDGET REVIEW AND ANALYSIS

Colorado has an annual budget cycle; the fiscal year begins July 1 and ends June 30. *During late summer and early fall, departments submit their budget proposals to the Governor's Office of State Planning and Budgeting as part of the executive budget process. The Governor and his staff review the budget proposals and limit each department's budget request based on the Governor's priorities, and they determine which new funding initiatives may be included in the request. Departments submit budgets to the Joint Budget Committee by November 1. As soon as practical after November 1, the JBC schedules hearings with the departments. The staff analysts brief the Committee on each budget request a few days prior to the hearing with a department. Briefings and hearings for most departments are scheduled in November and December before the General Assembly convenes in early January.*

JBC STAFF BRIEFINGS

JBC staff briefings consist of written and oral presentations of budget issues and a review of expenditures and requests. *Briefings are aimed at stimulating discussion among the Committee members about each department's budget request, its operations, issues of efficiency and effectiveness, and plans for the future. After the briefing, Committee members decide which issues they wish to discuss with the department. These may be topics presented by the staff or others Committee members wish to pursue. Staff analysts prepare a detailed agenda of these topics for the hearing. During the hearing, the department is given time to discuss its priorities with the Committee. All briefings and hearings are open to the public and are also taped. The Joint Budget Committee does not accept public testimony on departmental budget requests at the hearings. The JBC meets Tuesdays and Thursdays with individuals and groups. The nature of these Tuesday/Thursday meetings is determined each year by a vote of the JBC.*

SUPPLEMENTALS

In January, the Committee considers requests from departments for funding changes, called supplementals, for the current fiscal year. JBC analysts review these requests for funding changes and make recommendations to the Committee for its approval. In order for the state to have a balanced budget and be within General Fund spending limits, the JBC may also need to find areas in the budget where funds can be taken back. When revenue shortfalls occur, the Governor must ask departments to restrict spending in order for the state to stay within projected revenues. The JBC staff analysts review these restrictions and make recommendations to the Committee, which then decides where funds can be taken back. Often this differs from the Governor's recommendations. Decisions are prepared and introduced as supplemental appropriation bills, which are acted on by the General Assembly.

REVENUE RESOLUTION

By February 1, the General Assembly is required to certify, by joint resolution, the amount from the state's General Fund available for appropriation for the next fiscal year. This revenue resolution is very important to the deliberations of the JBC. During February and March, the JBC makes decisions on the level of funding for state government for the next fiscal year. The Committee is responsible for funding the operations of the state as well as a required reserve (4% of the General Fund appropriation) out of the available General Fund revenues.

FIGURE SETTING

*During February and March, when the JBC makes funding decisions for the upcoming fiscal year, analysts make and explain recommendations to the Committee on the number of employees, funding, and footnotes for each department. The term used for this process is **figure setting**. Long Bill footnotes are added to some line items to explain the purpose of the appropriation, or to request the department submit specific information to the Committee. The Committee votes on each line item recommendation. Analysts recalculate where applicable and draft the Long Bill. At the end of the figure setting process, Committee members make changes to bring total funding in line with the revenue resolution and the statutory spending limit. Staff analysts prepare the Long Bill and write a narrative to explain the decisions made and to provide comparative information to the rest of the General Assembly.*

LONG BILL

The Long Bill is introduced for consideration by both houses, as a House Bill when the JBC Chairman is a Representative, and as a Senate Bill when the JBC Chairman is a Senator. Legislative consideration begins in the party caucuses, where JBC members explain decisions and answer questions from their colleagues with help from the staff. The staff drafts all changes adopted by a caucus or requested by a legislator as amendments for consideration during floor debate. After both houses pass the Long Bill, the JBC members act as the conference committee to resolve differences between them. After both houses adopt the conference committee report, the bill is sent to the Governor. The Governor has line item veto power in acting on the bill.

APPROPRIATIONS REPORT

After the legislative session is over in early May, the JBC staff writes the Appropriations Report, which explains all funding decisions made by the General Assembly, from both the Long Bill and other bills that contain appropriations. The report is published by July 1st of each year. During the summer and fall, the JBC typically meets once a month for two to three days. Members tour areas of the state to visit state facilities and meet with groups and individuals to receive input on budget and management issues. State agencies may also request to meet with the Committee to inform members of a problem or to seek direction on various matters.