

THE ROLE OF THE JOINT BUDGET COMMITTEE

Overview

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), sponsors 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 in the same manner as members of other standing committees. The JBC elects its own chairman and vice-chairman, one from the Senate membership and one from the House membership, for the first regular session. The chairman and vice-chairman exchange roles for the second regular session. The House and Senate calendars reflect the JBC's schedule during the legislative session.

The JBC is statutorily charged with analyzing the management, operations, programs, and fiscal needs of the departments of state government. The state Constitution requires a balanced budget. The JBC holds hearings and reviews the executive budget request and the budget requests submitted by each state agency and institution (including those submitted by the judicial department).

The Staff of the Joint Budget Committee

The Committee has a non-partisan staff of thirteen analysts, two administrative support staff, and one staff director. The departments and programs of state government are divided among the [JBC staff analysts](#). In order to learn about departments, the programs and services they administer, and their fiscal needs, JBC analysts visit state facilities and meet with agency personnel and other individuals. JBC analysts also review a variety of documents, including: budget requests; relevant constitutional and statutory provisions; audit reports; interim committee reports; and appropriations reports and other documents prepared by other JBC analysts.

The Budget Process

Colorado has an annual budget cycle; the fiscal year begins July 1 and ends June 30. During late summer and early fall, executive departments submit 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 executive department's budget request based on the Governor's priorities. The Governor also makes assumptions about the amounts that will be allocated to the judicial and legislative departments in order to submit a balanced budget proposal. All executive and judicial departments submit budget requests to the Joint Budget Committee by November 1. As soon as practical after November 1, the JBC holds a hearing with each department. About a week prior to a department's hearing, a JBC staff analyst briefs the Committee on the agency's budget request. Most of these briefings and hearings occur in November and December before the General Assembly convenes in early January.

JBC staff briefings consist of written and oral presentations of the department's budget request and related information. 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. During the briefing, the Committee members identify any topics they wish to discuss with the

department at the hearing, and the staff analyst prepares a detailed hearing agenda. During the hearing, the department is also given time to discuss its budget priorities with the Committee. All briefings and hearings are open to the public and are recorded. The JBC does not accept public testimony during its hearings with departments. However, the JBC typically allows individuals and groups to testify before the JBC about budget-related topics on Tuesdays and Thursdays when they are meeting regularly. The nature of these Tuesday/Thursday meetings is determined each year by a vote of the JBC.

In January, the Committee considers department requests for adjustments to appropriations for the current fiscal year; these requests are called "supplementals". JBC analysts review these requests and make recommendations for the Committee's consideration. In order for the state to have a balanced budget and to comply with statutory appropriation limitations and reserve requirements, the JBC may also need to find areas in the budget where appropriations can be reduced. 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 appropriations should be reduced. JBC staff analysts prepare supplemental appropriation bills for each department to reflect any mid-year appropriation adjustments approved by the JBC. These bills are introduced in early February for the General Assembly's consideration.

During February and March the JBC makes funding decisions for the upcoming fiscal year. JBC analysts present each department's budget request and make recommendations for the Committee's consideration. These recommendations include the amounts and sources of funding for each budget line item, assumptions about the associated number of state employees, and footnotes to be included in the Long Bill to explain the purpose of certain appropriations. This process is called "figure setting". The Committee votes on each staff recommendation, and the JBC analyst recalculates appropriations based on the Committee's actions. At the end of the figure setting process, departments are allowed to submit a "comeback" request, asking the Committee to reconsider one or more actions. The JBC then reconsiders previous actions in response to comeback requests, to bring total appropriations in line with anticipated revenues, or to ensure compliance with any applicable statutory appropriation limitations or reserve requirements. JBC staff analysts prepare the Long Bill to reflect the Committee's final actions, along with a companion document to explain the Committee's recommendations and to provide comparative information.

The Long Bill is introduced in late March for the General Assembly's consideration. When the JBC Chairman is a Representative, the bill is first introduced in the House; when the JBC Chairman is a Senator, the bill begins in the Senate. The bill is assigned to the Appropriation Committee in each chamber. In addition, JBC members are generally asked to present and explain their recommendations to their party caucuses and/or each committee of reference. JBC staff analysts support JBC members in responding to questions from their colleagues. JBC staff also prepare any requested amendments to the Long Bill. After both chambers pass the Long Bill, the JBC members act as the conference committee to resolve differences between the two chambers. After both chambers adopt the conference committee report, the bill is sent to the Governor. The Governor has line item veto power in acting on the bill.

After the legislative session ends in early May, the JBC staff prepares an annual Appropriations Report, which explains all funding decisions made by the General Assembly, from the Long Bill and any other bills that contain appropriations. During the summer and fall, the JBC typically meets once a month for two to three days. The JBC may visit other parts of the state to tour state facilities and meet with groups and individuals to discuss budget issues. State agencies may also request to meet with the Committee to inform members of a problem or to seek direction on various matters.