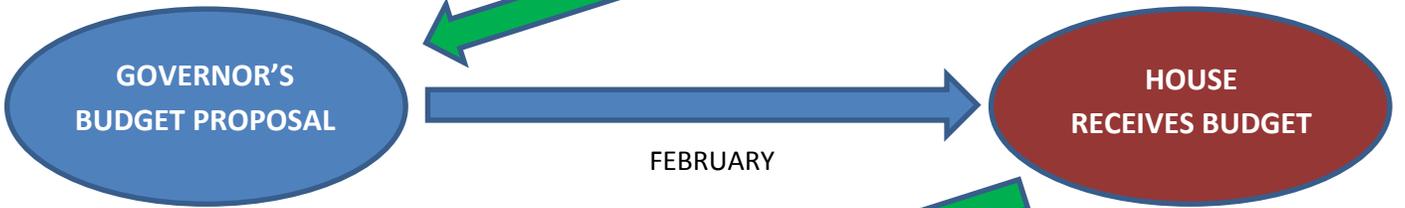
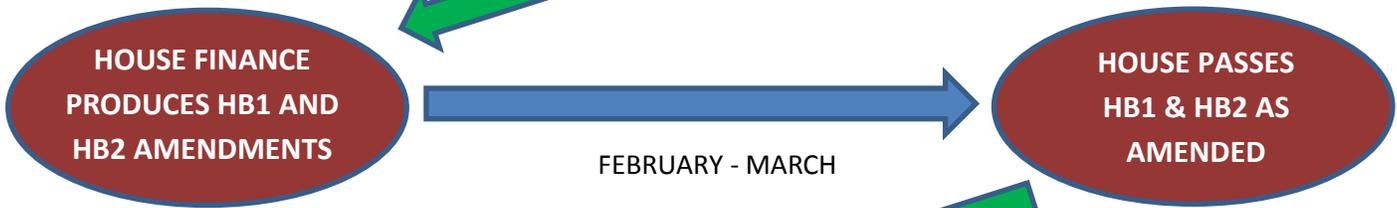




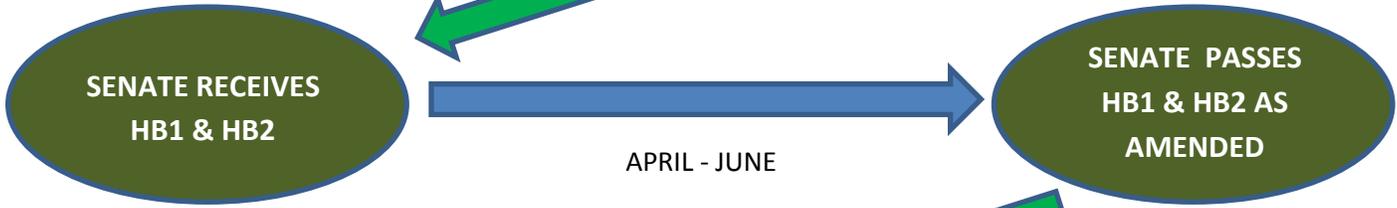
Beginning in the fall of the election year, state agencies draw up their own budget requests. The Governor then has hearings in December where agencies present their request to the Governor and budget director, who then draw up the initial proposal.



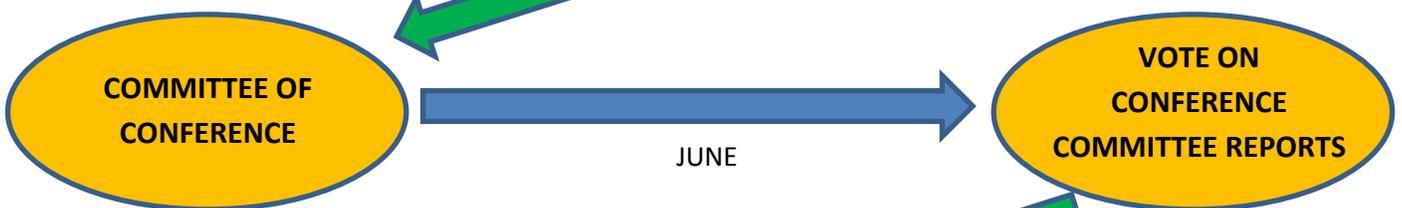
In February of the first year of the term, the Governor presents the budget proposal, HB1 and HB2. Following production of the bills, they are then received by the House and assigned to the House Finance Committee. Spending levels are based on recommendations from Governor's own revenue estimating panel and/or new revenue streams (taxes, fees, etc).



In late February, the House Finance Committee holds public hearings. Finance Committee Divisions work for weeks on proposed amendments to the Governor's budget. Spending levels are based on revenue estimates approved by the House Ways and Means Committee. The full Finance Committee votes on HB1 & HB2, which then goes to the House floor.



In late March or early April (crossover), the Senate receives HB1 and HB2 as (amended by the House) and begins the public hearing process and working on their version of the budget. The Senate usually has time to receive updated revenue projections based on more tax return information and economic data. Spending levels can be adjusted by the Senate depending on these updated figures.



Once the House and Senate have approved their own versions of the budget, a committee of conference is usually requested. Members from each body are appointed by the Speaker and Senate President to work out the differences between the two versions, and agree on a final product. The conference committee produces a report that is voted on by both bodies.

