

The Budget Process

Oklahoma House of Representatives



Fiscal Division

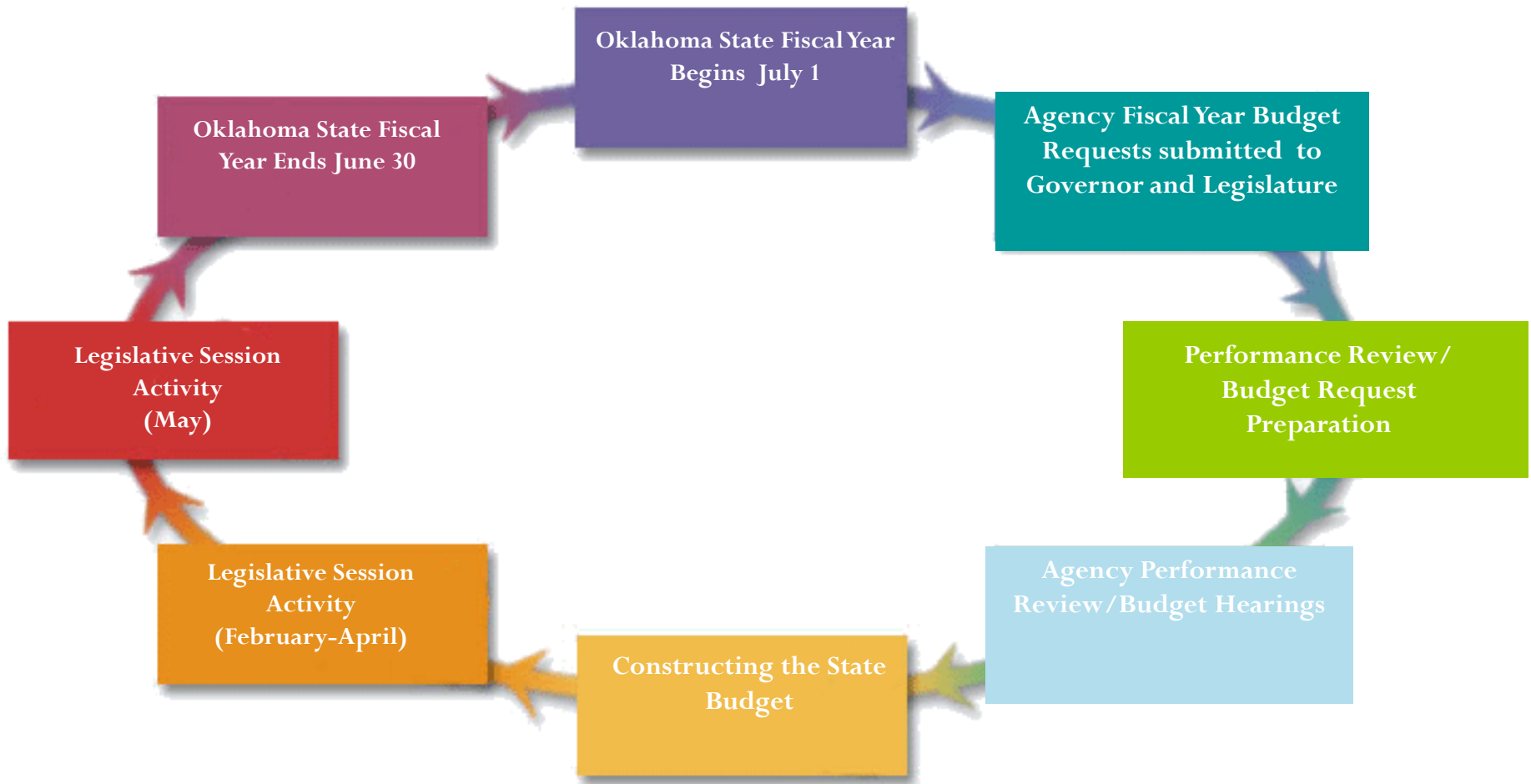
What is the role of the Legislature in the Budget Process?

- ❑ Oklahoma Constitution – Article V, Section 55
 - ❑ Appropriations – Necessity and requisites
 - ❑ “No money shall ever be paid out of the treasury of this State, nor any of its funds, nor any of the funds under its management, except in pursuance of an appropriation by law, nor unless such payments be made within two and one-half years after the passage of such appropriation act, and every such law making a new appropriation, or continuing or reviving an appropriation, shall distinctly specify the sum appropriated and the object to which it is to be applied, and it shall not be sufficient for such law to refer to any other law to fix such sum.”

House Fiscal Division

- ❑ A resource for all members
- ❑ Provides analytical support for all financial matters to assist you in the decision-making process
 - ❑ Budget Analysis
 - ❑ Fiscal Impact Statements
 - ❑ Revenue and Taxation Analysis
 - ❑ Drafting of Appropriation-related bills

The Budget Cycle



July 1 - New fiscal year begins

July - September

Agencies

- Implement Budget Work Program (BWP) as approved by the Office of Management and Enterprise Services (OMES)
- Develop upcoming fiscal year budget requests

Members

- Attend Interim Studies, Conferences and Seminars

Staff

- Monitors Agency budget expenditures
- Reviews Agency Budget Work Programs
- Produces Annual Legislative Appropriations Book
- Provides fiscal analysis, historical background and logistical support for Interim Studies

Agency Budget Requests

October

- ❑ Agencies
 - ❑ Submit Budget Requests for the upcoming fiscal year to the Governor and to the Legislature
- ❑ Members
 - ❑ Continue to attend Interim Activities
 - ❑ Consider Legislative Proposals
- ❑ Staff
 - ❑ Assists members with fiscal aspects of proposed legislation
 - ❑ Begins analysis of agency Budget Requests
 - ❑ Supplemental Funding Requests
 - ❑ Program/Operations Funding Proposals

Agency Performance Review/ Budget Request Preparation

November-December

Agencies

- Present Budget Request to OMES in Budget Hearing

Members

- Continue to attend Interim Studies and develop proposed legislation

Staff

- Attends OMES Agency Budget Hearings
- Compiles Performance Review and Budget Request materials for member review and study

Performance Review/Budget Hearings

December - January

Performance Reviews – A statutorily required examination of Agency expenditures and operations during the previous fiscal year. The results of these meetings are filed in a formal report with the Office of the Chief Clerk

- ❑ Agencies

- ❑ Explain and defend previous fiscal year activities

- ❑ Members

- ❑ Participate in Performance Review Hearings

- ❑ Staff

- ❑ Provides fiscal analysis and historical information

Budget Hearings – An examination of Agency Budget Requests for the upcoming fiscal year

- ❑ Agencies

- ❑ Present and justify additional funding requests

- ❑ Members

- ❑ Participate in Budget Hearings

- ❑ Staff

- ❑ Provides fiscal analysis and historical information

Constructing the State Budget

December - February

❑ Agencies

- ❑ Available to members and staff for budget-related questions

❑ Members

- ❑ Propose legislation

❑ Staff

- ❑ Utilizes State Board of Equalization certified revenue estimates to calculate Agency base funding levels
- ❑ Utilizes information gained from Performance Reviews and Budget Hearings to assist members in the assessment of Agency Budget Requests

Legislative Session Activity

February - April

Agencies

- Continue to advocate for funding increases
- Answer legislation-related questions in Committees

Members

- Present proposed legislation in Committees
- Hear substantive legislation in Committees and on the Floor
- Consider, discuss, and establish budget priorities

Staff

- Completes calculation of agency base level budgets for consideration during House/Senate negotiations
- Prepares fiscal impact statements for substantive bills

Fiscal Impact Statement - Example

BILL SUMMARY

2nd Session of the 57th Legislature

Bill No.:	HB 4159
Version:	CS
Request Number:	
Author:	Rep. Wallace
Date:	5/12/2020
Impact:	ODAFF: From appropriated funds, \$2,880,000 for OSU extension service and experiment stations.

Fiscal Analysis

The measure provides for funds appropriated to the Oklahoma Department of Agriculture, Food, and Forestry in Enrolled Senate Bill No. 1922 of the 2nd Session of the 57th Oklahoma Legislature, the sum of two million eight hundred eighty thousand dollars (\$2,880,000.00) shall, under the direction of the Commissioner of Agriculture, be allocated to extension offices and research centers that are affiliated with the Oklahoma State University Agricultural Extension Service and Experiment Stations.

Prepared By: Mark Tygret

Legislative Session Activity

May

Agencies

- Continue to advocate for funding increases
- Available for clarification of budget-related issues

Members

- Participate in Conferences to develop final legislation
- Take final actions for substantive legislation
- JCAB meets to determine final agency budgets for upcoming fiscal year
- Vote on State Budget for upcoming fiscal year

Staff

- Drafts Appropriation bills for JCAB and floor consideration
- Calculates revisions to Agency budget levels when applicable
- Sets Budget Limits based on legislative priorities
- Continues to provide Fiscal Impact Statements
- Provides a detailed analysis of the budget as adopted

Oklahoma State Fiscal Year Ends

June

Agencies

- Develop BWP based on guidelines set in Appropriation bills
- Prepare and submit BWP for approval to OMES by June 30

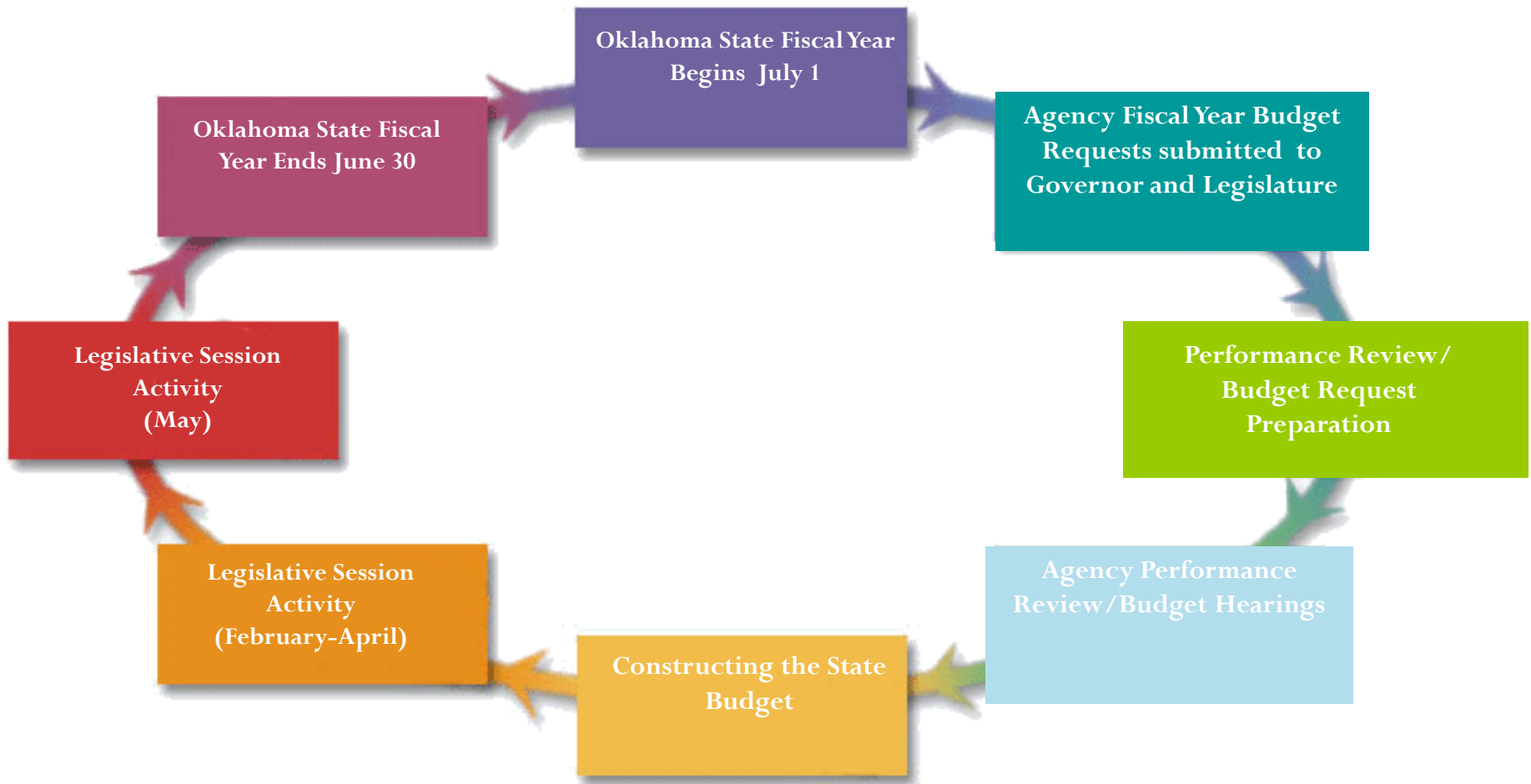
Members

- GO HOME!!!
- Report details of session budget-related activities to constituents

Staff

- Provides overview of legislative budget actions
- Answers member budget-related questions
- Consults with members regarding specific funding decisions

Budget Cycle



House Fiscal Division

- ❑ Mark Tygret – Director Ext. 472
 - ❑ Finance
- ❑ John McPhetridge – Deputy Director, Fiscal Staff Attorney Ext. 427
 - ❑ Transportation
- ❑ Stacy Johnson Ext. 475
 - ❑ Public Health and Human Services
- ❑ Clayton Mayfield Ext. 477
 - ❑ Public Safety and Judiciary
- ❑ Mariah Searock Ext. 485
 - ❑ Natural Resources and Regulatory Services
- ❑ Nathan Shugart Ext. 426
 - ❑ General Government
- ❑ Cole Stout Ext. 484
 - ❑ Education
- ❑ Terri Ihnat – A&B Coordinator Ext. 162