

UNDERSTANDING THE ANNUAL STATE BUDGET PROCESS:  
A PRIMER ON STATE SPENDING, BROUGHT TO YOU BY  
SENATOR BEN DOWNING



Greetings from Beacon Hill! The Massachusetts Senate will soon debate its Fiscal Year 2012 budget. As the annual budget process can be confusing to understand, I wanted to take the time to explain it to those interested. The state operating budget funds all programs, services and agencies operating in state government. This guide is designed to give an overview of the process that builds Massachusetts' annual spending plan, which, unlike the federal government, must be balanced each and every year. I hope you find this information to be helpful, but if you have additional questions, contact me anytime:

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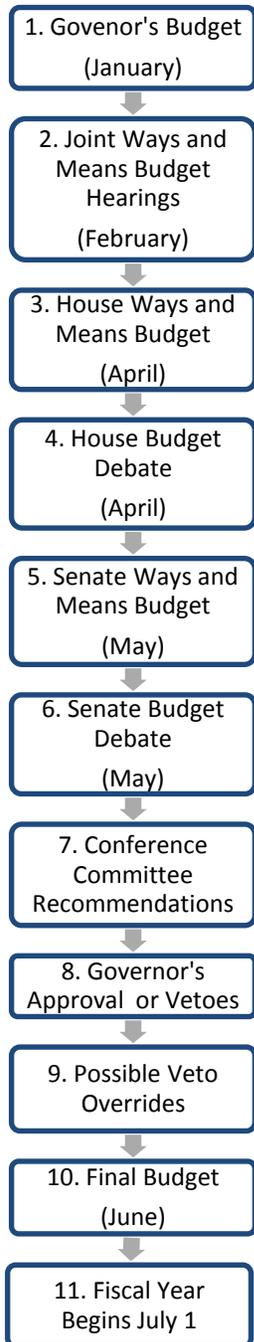
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To:

# The Commonwealth's Annual Budget Process

## Overview



## Budget Writing Steps

1. Governor submits his budget recommendations to the House of Representatives (The Governor's Budget is known as House 1 or House 2) and Senate.
2. House and Senate Ways and Means Committees review the Governor's budget recommendations and hold statewide public hearings.
3. The House Ways and Means Committee develops and releases its spending plan.
4. House members submit amendments to the Ways and Means budget, which are then debated on the House floor. Once debated, amended and adopted the final House budget moves to the Senate for consideration.
5. The Senate Ways and Means Committee reviews the House budget and develops its own spending plan.
6. Senate members submit amendments to the Way and Means budget, which are then debated on the Senate floor. Once debated, amended and adopted, it becomes the final Senate budget.
7. Three members from the House and Senate are appointed by leadership to a conference committee to resolve the differences between the House and Senate budgets. The budget compromise, called the conference committee report, must be adopted by a formal vote of the House and Senate. The conference committee report can only be approved or rejected, no additional amendments can be offered by members.
8. Once both chambers have approved the budget, it is submitted to the Governor who has ten days to review it. The Governor can approve or veto the entire budget, or amend specific line items, but no additional spending can be added.
9. The House and Senate can vote to override the Governor's vetoes. Veto overrides require a 2/3 majority roll call vote in both chambers.
10. The final budget, known as the General Appropriations Act (GAA), takes effect on July 1st, the first day of the fiscal year.