

Budget process for the 2012-2013 biennium (dates of events are approximate)

By the Texas Legislative Reference Library

Abbreviations: LBB: Legislative Budget Board;
GOBPP: Governor's Office of Budget, Planning & Policy;
LAR: Legislative Appropriations Request.

May - June 2010

- The Legislative Budget Board (LBB) sends Legislative Appropriations Request (LAR) instructions to all state agencies

Related documents:

- 01/15/10 [Memorandum requesting 5% expenditure reductions for the 2010-2011 biennium](#)
- 12/06/10 [Letter directing each state agency to identify savings of 2.5% of their original general revenue and general-revenue-dedicated appropriations for the remainder of the 2011 fiscal year](#)

July - August 2010

- State agencies develop strategic plans and associated Legislative Appropriations Requests (LARs). These are submitted to the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning & Policy (GOBPP).

Sept. - Dec. 2010

- The LBB & the GOBPP hold public hearings on each agency's strategic plan and LAR.
- Based on the hearings, the LBB and the GOBPP separately prepare budget recommendations to be presented to the Legislature in January at the beginning of the legislative session.

January 2011

- The 82nd Regular Legislative Session begins on January 11, 2011.
- The Texas Comptroller presents the [Biennial Revenue Estimate](#) (BRE) to the Legislature.
 - Related documents:

3/11/11 [Letter from the Comptroller raising FY 2011 estimates of sales tax revenue by \\$300 million](#)

5/17/11 [Letter from the Comptroller raising estimate of revenue collected in FY 2012-2013 by \\$1.2 billion](#)

- The LBB presents its budget recommendations to the Legislature and the Governor.
 - View: [House version \(HB 1\)](#) | [Senate version \(SB 1\)](#)
 - Legislative Budget Estimates: [House version](#) | [Senate version](#)

- Appropriations bills are filed by the House and Senate: [HB 1](#) | [SB 1](#)
- The Governor submits [budget recommendations](#) to the Legislature.

Feb. - March 2011

- The Senate Finance Committee and Subcommittees and the House Appropriations Committee and Subcommittees conduct hearings on their versions of the general appropriations bill.

Note: Hearing notices for committee meetings may refer to the article(s) of the appropriations bill that will be under consideration. Click this [link](#) and scroll to the bottom of page for a list of articles of the general appropriations bill.

April - May 2011

- Hearings end and the process of "markup" begins. The Senate and House committees revise their appropriations bills to reflect their funding decisions. The revised bills are issued as committee reports, which are sent to each chamber for a vote by the full body. The committee reports may be further amended before passage. (The House and the Senate historically have taken turns on whose bill is passed first to go to the other chamber for consideration. The other chamber usually substitutes its own version of the bill.)
[House Committee Report HB 1](#) | [Senate Committee Substitute for HB 1](#)
- The Lt. Governor of the Senate and the Speaker of the House appoint a [conference committee](#) to reconcile differences between the [House-passed](#) and the [Senate-passed](#) versions of the appropriations bill. [Conference committee members](#)
- The conference committee drafts a budget that reconciles differences between the House and Senate versions and files it as the [conference committee report](#). It is sent to both chambers for final approval. Further amendment is prohibited.
- Once approved, the conference committee report is sent to the Comptroller for certification that the bill is within available revenue.
- During the regular session, the Legislature passes two supplementary budget measures to address a \$4.3 million shortfall in the fiscal 2010-2011 budget: HB 275, which draws \$3.2 billion from the state's "Rainy Day" Fund, and HB 4, a bill that contains supplemental appropriations and spending reductions for FY 2011.
- The last day of the 82nd Regular Legislative Session is May 30, 2011.

June 2011

- The Legislature fails to pass SB 1811, a key budget measure, during its regular session; Governor Perry calls a special session to work on fiscal matters necessary for the implementation of the appropriations bill (HB 1, 82nd R.S.).
[Governor's proclamation calling a special session of the 82nd Legislature](#) (05/30/11)
- The Comptroller [certifies](#) that HB 1, 82nd R.S. is within available revenue. (06/07/11)

- The governor signs HB 1, 82nd R.S., but [vetoes](#) certain individual spending items (line items). (06/17/11)
- During the special session, the Legislature passes key budget measures (SB 1 and SB 2, 82nd 1st C.S.) necessary to balance the 2012-2013 state budget. The special session adjourns sine die on June 29, 2011.

Sept. 1, 2011

- Fiscal Year 2012 begins September 1, 2011; agencies begin spending appropriated funds.
- During the two years of the budget cycle, state agencies report to the LBB regarding their performance relative to performance targets. Some agencies will be audited by the State Auditor's Office (SAO).

Dec. 2011

- The Texas Comptroller presents [certification revenue estimates](#), detailing the data used to certify the General Appropriations Act for 2012-13 and other appropriations bills approved by the 82nd Legislature.
- The Texas Comptroller publishes the [Texas Annual Cash Report](#), detailing revenues and expenditures from the previous fiscal year.
- LBB publishes [Fiscal Size-Up](#), describing how funds were appropriated for the 2012-2013 biennium. (published Jan. 2012)

Sources

Budget 101: A guide to the budget process in Texas. [Austin, Tex.]: Senate Research Center, January 2011. (Available at: http://www.senate.state.tx.us/src/pdf/Budget_101-2011.pdf)

Building the state budget, block by block [Austin, Tex.]: Texas Comptroller. Originally published in *Statewise*, Feb/March 2005. (Available at: https://fm.xcpa.state.tx.us/fm/statewise/archive/feb_march_2005_building.php)

Writing the state budget: 82nd Legislature. [Austin, Tex.]: House Research Organization, February 3, 2011. (Available at: <http://www.hro.house.state.tx.us/focus/writing81.pdf>)