



The FY 14/15 Legislative Budget Process in New Hampshire A Brief Overview

Department Phase (Summer 2012)

- ▶ Bureau of Developmental Services (BDS) and all other Divisions in DHHS submit “wish list” budgets to Commissioner. This includes full funding for all programs (e.g. Waitlist) as well as new initiatives for next two years.
- ▶ DHHS Commissioner’s office puts together a Departmental budget taking into account Divisional requests; caseload increases, etc.
- ▶ All other state departments follow similar process.

Governor Phase (Fall 2012)

- ▶ Outgoing Governor (Lynch) gives specific budget targets to all Department Commissioners. (90% of FY 13 adjusted authorized budgets required by SB 146).
- ▶ Commissioners develop various budget scenarios which detail the impact of different levels of cuts on people they serve.
- ▶ Remember, DHHS budget is nearly half the state budget so any reductions hit the Department very hard!

Governor Phase (Jan/Feb 2013)

- ▶ New Governor (Hassan) reviews budget requests and gives new targets to Commissioners (97% of FY 13 adjusted authorized).
- ▶ Ongoing negotiations between Governor's office and Commissioners to come to agreement on final Governor's budget.
- ▶ Governor presents budget to House of Representatives on February 14, 2013.

House Phase (Feb/March 2013)

- ▶ Biennial budget is always designated HB 1 and 2.
- ▶ HB 1 contains the actual budget numbers and HB 2 is the narrative which accompanies it. Also known as the “trailer bill”, this gives you the budget details including any changes to specific laws.
- ▶ House can either work from the Governor’s budget (as HB 1) or throw it out entirely and develop their own HB 1.
- ▶ House Finance typically holds one all day public hearing on the budget but may hold several regional public hearings to get public input.
- ▶ House Finance committee is broken down by Divisions. Div III is responsible for the DHHS budget

House Phase (Cont).

- ▶ Div III House Finance will hold public hearings with each Bureau within DHHS to review specific cost centers.
- ▶ Each House Finance Division will submit their recommendations to the full House Finance Committee.
- ▶ The House Finance Committee will vote on a budget to present to the full House of Representatives.
- ▶ Once passed by the full House, the budget is sent to the Senate.

Senate Phase (April/May 2013)

- ▶ Senate Finance Committee typically holds one all day public hearing in Concord on HB1.
- ▶ Often Senate Finance will begin working on their own version of the budget prior to receiving HB 1 from the House.
- ▶ Senate Finance holds public hearings with each bureau of DHHS.
- ▶ HB 1 is amended to include Senate budget priorities.
- ▶ Senate Finance recommends a budget for a vote by the full Senate.

Committee of Conference Phase (June 2013)

- ▶ House Speaker and Senate President appoint Committee of Conference to negotiate differences in House passed and Senate passed versions of the budget.
- ▶ Once they come to agreement, HB 1 becomes the budget which contains the appropriations and HB 2 (called the trailer bill) contains the budget narrative including any laws that must be amended to support the appropriations.
- ▶ HB 1 and 2 go back to the House and Senate for final passage by June 30th.

Governor Phase (June 2013)

- ▶ HB 1 and HB 2 are sent to Governor Hassan for her approval. She has one of three options:
 - ▶ 1.) Sign the bill into law
 - ▶ 2.) Veto the bill
 - ▶ 3.) Let the bill become law without her signature.
- ▶ Assuming she signs the bill, the budget becomes effective July 1, 2013 and runs until June 30, 2015.

Budget Implementation

- ▶ Once the budget is passed, the various state agencies must implement it. This may take a significant amount of time so often the specific impacts are not understood until much later.