

REPORTING OF LEGISLATIVE BUDGET CHANGES - ALTERNATIVE

This memorandum provides information on an alternative method for reporting legislative budget changes during legislative sessions.

Currently, when the Legislative Assembly takes action affecting state revenues or appropriations, the Legislative Council reports the detailed changes in comparison to the executive budget recommendation. These detailed changes are reflected in the "official" weekly *Budget Status Report* and in the Statement of Purpose of Amendment to appropriation bills. Comparisons to the previous biennium are included in other Legislative Council reports in summary.

Under consideration is an alternative method in which the "official" weekly *Budget Status Report* and the Statement of Purpose of Amendment to appropriation bills would compare the legislative changes in detail to the previous biennium rather than to the executive budget. The Legislative Council staff would still prepare reports comparing legislative action to the executive budget recommendation; however, the reports would be separate from the "official" weekly *Budget Status Report* and the Statement of Purpose of Amendment to appropriation bills.

Implementing the alternative reporting format will allow the Legislative Assembly to identify the changes being made to revenues and appropriations in comparison to the previous biennium's legislatively approved levels. The alternative reporting format will not affect any of the processes used by the Governor or the Office of Management and Budget (OMB). The Governor and OMB would continue to introduce the appropriation bills containing the Governor's budget recommendations as well as other bills to implement revenue or other changes being recommended by the Governor.

To implement this new reporting format for the 2015 legislative session, the Budget Section would need to direct the Legislative Council staff, by motion, to use the 2015-17 biennium "base" level funding rather than the 2015-17 biennium executive budget funding level for budget status reporting and comparison purposes. These base level amounts are the appropriations approved by the previous Legislative Assembly excluding "one-time" funding, and these amounts are already included in the appropriation bills as introduced. The base level revenue amounts would be adopted by the Budget Section at its December 2014 meeting based on the executive budget revenue forecast.

The proposed Budget Section motion to make the change is shown below.

It was moved by _____, seconded by _____, that the Legislative Council staff use, for budget status and Statement of Purpose of Amendment reporting and comparison purposes, the 2015-17 biennium "base level" rather than the 2015-17 biennium executive budget.