Table 2 ORECAST
(continued)

State or other Jurisdiction	Which Branch/ Group Has Primary Responsibility for Developing the Official State Revenue Forecast? †	Who Participates in the Development of the Official State Revenue Forecast?	Does the Official State Revenue Forecast Bind the Budget?
Alabama	C*	Executive Budget Office, Legislative Fiscal Office, Department of Revenue, State Treasury, other Finance Department officials	No*
Alaska	E*	Department of Revenue, Department of Natural Resources, Department of Labor, University of Alaska, Legislature	Yes
Arizona	C*	Executive and Legislative Budget Offices	No
Arkansas	E	Department of Finance and Administration	Yes*
California	E*	Department of Finance	No
Colorado	O*	Office of State Planning and Budgeting, Legislative Council	No
Connecticut	O	Joint Committee on Finance, Revenue and Bonding	Yes*
Delaware	C	25 members appointed by the governor: includes members of House and Senate and cabinet, Office of the Controller General, private sector and university representatives	Yes*
Florida	C*	One representative each from governor's office, House, Senate and Joint Legislative Management Committee	No*
Georgia	E	Governor and executive staff	Yes
Hawaii	O	Council on Revenues*	No
Idaho	E*	Division of Financial Management and Economic Outlook and Revenue Assessment Committee	No
Illinois	O*	Governor and/or General Assembly staff	No
Indiana	C	Revenue Forecast Technical Committee: fiscal analysts of the four caucuses, governor's designee, and ex-officio members, usually former fiscal analysts	No
Iowa	C*	Legislative fiscal director, governor or designee and a non-state employee (agreed upon by the other two members)	Yes*

Table 2-4: REVENUE FORECAST
(continued)

State or other Jurisdiction	Which Branch/ Group Has Primary Responsibility for Developing the Official State Revenue Forecast? †	Who Participates in the Development of the Official State Revenue Forecast?	Does the Official State Revenue Forecast Bind the Budget?
Kansas	C	Department of Revenue, governor's Division of the Budget, Legislative Research Department and three consulting economists from three different state universities	No*
Kentucky	C	Four university economists, appropriations and revenue staff administrator, Executive Financial Management and Economic Analysis (revenue estimating) staff member*	Yes*
Louisiana	C	Revenue Estimating Conference: governor or designee, Senate president or designee, speaker of the House or designee, faculty member of a Louisiana university or college	Yes
Maine	E*	State budget officer, state tax assessor, state economist, university economist, director of Fiscal and Program Review Office	No
Maryland	E	Board of Revenue Estimates: state comptroller, state treasurer, secretary of budget and planning	No
Massachusetts	C*	State Department of Revenue, House and Senate committees on Ways and Means	Yes*
Michigan	C	Director of House Fiscal Agency, director of Senate Fiscal Agency, director of the Department of Management and Budget or designee*	No*
Minnesota	E	Department of Finance	No
Mississippi	C	Tax Commission, University Research Center, state treasurer, Department of Finance and Administration, Legislative Budget Office	Yes*
Missouri	C*	House and Senate appropriations staffs (and chairs), Division of Budget and Planning (and governor)	Yes
Montana	O*	Legislative Revenue Oversight Committee	Yes
Nebraska	C*	Economic Forecasting Advisory Board	No
Nevada	O*	The Economic Forum	Yes*
New Hampshire	O*	Conference Committee	No
New Jersey	E*	Department of Treasury	Yes*

Table 2-4: REVENUE FORECAST
(continued)

State or other Jurisdiction	Which Branch/ Group Has Primary Responsibility for Developing the Official State Revenue Forecast? †	Who Participates in the Development of the Official State Revenue Forecast?	Does the Official State Revenue Forecast Bind the Budget?
New Mexico	C	Taxation and Revenue Department economists, Department of Finance and Administration economists, Legislative Finance Committee economists, Highway and Transportation Department economists	No
New York	C*	Division of the Budget, Office of Fiscal Planning, Assembly Ways and Means Committee and Senate Finance Committee	No
North Carolina	C*	Legislative fiscal office, state budget office	Yes
North Dakota	E*	Tax and finance legislators, legislative fiscal officer, director of OMB and analysts	Yes*
Ohio	O*	Executive and Legislative Budget Office	No
Oklahoma	E*	State Board of Equalization: governor, auditor and inspector (elected), treasurer (elected), Lt. governor, attorney general (elected), superintendent of public instruction (elected), and president of State Board of Agriculture (appointed)	Yes*
Oregon	E*	Department of Administrative Services	No*
Pennsylvania	E	Department of Revenue	Yes
Rhode Island	C	House Fiscal Advisor, Senate Fiscal Advisor, State Budget Director	Yes*
South Carolina	O*	Board of Economic Advisors: one appt. by governor to serve as chair, one appt. by the chair of the Senate Finance Committee, one appt. by the House Ways and Means Committee, and the designated representative of the Dept. of Revenue and Taxation (ex officio)	Yes*
South Dakota	O*	Joint Appropriations Committee, governor	No
Tennessee	C	Executive: governor, commissioner of finance and administration; Legislative: comptroller, treasurer, secretary of state*	No
Texas	E*	Comptroller of Public Accounts	Yes*
Utah	O*	Executive branch, Executive Appropriations Committee and legislative members	Yes*
Vermont	C*	Emergency Board, Joint Fiscal Office, secretary of administration	No

Table 2-4: REVENUE FORECAST
(continued)

State or other Jurisdiction	Which Branch/ Group Has Primary Responsibility for Developing the Official State Revenue Forecast? †	Who Participates in the Development of the Official State Revenue Forecast?	Does the Official State Revenue Forecast Bind the Budget?
Virginia	E*	Department of Taxation	Yes*
Washington	C	Executive and legislative members	Yes
West Virginia	E*	Governor	Yes*
Wisconsin	E*	Department of Revenue and Legislative Fiscal Bureau	No
Wyoming	C	Legislative: Legislative Service Office budget/fiscal manager; Executive: Economic Analysis Administration; representatives from state auditor and state treasurer; superintendent of public education, director of Department of Revenue, state geologist, oil and gas commissioner and an economics professor from University of Wyoming	Yes
American Samoa (N/R)	—	—	—
District of Columbia (N/R)	—	—	—
Guam	E*	—	Yes
Northern Mariana Islands	E*	Office of Management and Budget, Department of Finance	Yes*
Puerto Rico	E*	The governor with input from president of the Senate and speaker of the House	Yes
U.S. Virgin Islands (N/R)	—	—	—
Total: States	**C=22** **E=17** **O=11**		**Yes = 26** **No = 24**
Total: States and Territories	**C=22** **E=20** **O=11**		**Yes = 29** **No = 24**

Source: National Conference of State Legislatures, December 1997.

† Key:

C = Consensus (For the purposes of this table, "consensus" defines the process used to arrive at a revenue forecast. The term does not imply, however, that the consensus forecast binds the budget.)
E = Executive
O = Other
— = Not available
N/R = No response

***Notes:**

Alabama—There is no official revenue forecast. A consensus team builds a forecast that may or may not be adopted by the governor or the Legislature. The Executive Budget Office and the Legislative Fiscal Office arrive at estimates, and the higher of the two typically is adopted by the House and Senate appropriations committees.

Alaska—The executive branch bears primary responsibility for forecast development with legislative oversight. In recent years, language balancing expenditures and revenues through the use of reserves has been incorporated in each annual general appropriation act.

Arizona—Not required by statute, but currently is practiced.

Arkansas—The Revenue Stabilization Law provides a mechanism that limits expenditures to the actual amount of revenues received.

California—The revenue forecast contained in the governor's budget proposal is prepared by the administration's Department of Finance. Adjustments to this forecast sometimes are made based on projections from the legislative analyst. Ultimately, however, the forecast used is jointly approved by the Legislature and the governor.

Colorado—Statutes provide that the General Assembly adopt a revenue resolution each year by February 1 after taking into consideration the estimates of the governor's office and the staff of Legislative Council.

Connecticut—A statutory provision requires that estimated revenue be not less than net appropriations (this provision applies only at the time of the original enactment of the budget). A constitutional provision states that the amount of expenditures authorized shall not exceed the estimated amount of revenue for such fiscal year. Adopted in 1992, the provision has come into play only once, in FY 1995. At that time, general fund estimates showed a small deficit; thus, sufficient revenues were not available to finance additional appropriations. Shortfalls were met by transfers from agencies that had a surplus to those agencies that needed more funding. This was done via legislative enactment.

Delaware—An official revenue resolution is passed before a budget is enacted. Delaware appropriates only up to 98 percent of revenue by constitution.

Florida—Representatives must be professional staff with estimating experience. Although the forecast does not bind the budget, there is a constitutional requirement for a balanced budget. The budget has always been within revenue estimates.

Hawaii—The Council of Revenues is an advisory board that consists mainly of economists appointed by the governor.

Idaho—An Economic Outlook and Revenue Assessment Committee of the Legislature determines if the executive estimate is "reasonable."

Illinois—The executive branch is required to submit estimated revenues with the spending plan. The General Assembly staff produces its forecast. A final forecast may be adopted by the General Assembly.

Iowa—The three-member consensus board is statutory. Code specifies that the Revenue Estimating Conference shall have a forecast by December 15 each year that the governor and General Assembly must use in preparing the budget. Appropriations cannot exceed 99 percent of adjusted general fund receipts.

Kansas—Although no specific provision prohibits appropriations from exceeding official revenue forecasts, statute (KSA 75-6702) requires that expenditures and demand transfers from the state general fund be limited to an amount that provides for an ending balance of 7.5 percent of total expenditures for a fiscal year.

Kentucky—This staff member is jointly selected by the secretary of the Finance and Administration Cabinet and the Legislative Research Commission. The forecast does bind the budget with modifications, however, made by the appropriations committees (KRS 48.120).

Maine—The Bureau of the Budget (executive branch) makes a recommendation from the Revenue Forecasting Committee. The bureau makes final recommendations on revenue (but must explain why it did not accept the Revenue Forecasting Committee's recommendation when there is disagreement).

Massachusetts—On or before May 15 each year, the commissioner of the Department of Revenue meets with the House and Senate committees on Ways and Means to develop a consensus tax revenue forecast for the ensuing fiscal year. Public hearings are held before the House and Senate vote on the consensus figure. The operating budget cannot exceed the sum of tax and non-tax revenue that is expected to be received in that fiscal year. The operating budget, as recommended by the six members of a House-Senate Ways and Means Conference Committee, must be in balance according to that principle. The operating budget has not been in deficiency since FY 1990.

Michigan—In practice, the state treasurer has been the designee for the executive branch. Although the statute requires that the consensus forecast be the "official" revenue estimate, it does not legally bind the Executive budget, although, in practice, it has bound the budget.

Mississippi—State law limits appropriations to 98 percent of the official revenue estimate.

Missouri—Although the responsibility lies with the governor, consensus has been the practice for several years; it is not required, however.

Montana—Legislative staff and the executive branch provide independent estimates, which are evaluated and enacted by the Legislature upon the recommendation of the interim revenue oversight committee, which consists entirely of legislators.

Nebraska—Five appointees by the Legislature's Executive Board and four by the governor meet on a set schedule to produce general fund revenue estimates. Estimates are derived from information provided by the legislative fiscal analyst and the Department of Revenue.

Nevada—The Economic Forum, a group of five laypersons, usually tries to develop a consensus between the executive and legislative forecasts. The governor must propose or the Legislature must approve revenue enhancements if the forecast is to be exceeded.

New Hampshire—The executive branch prepares an initial forecast in February. The House and Senate prepare their own forecasts throughout the session. The committee of conference process produces the official state revenue forecast.

New Jersey—The Department of the Treasury produces the basic revenue forecast that the governor certifies. The governor has the constitutional responsibility to "certify" that revenues will be sufficient to support appropriations.

That certification constitutes the official revenue forecast at the time the budget is signed into law. The office of Legislative Services produces informal, advisory forecasts for the Legislature in drafting the budget bill and at other times.

New York—The legislative houses develop their own forecasts and a consensus process is used to negotiate a final forecast for the enacted budget.

North Carolina—There are no statutory guidelines, but during the 1997 session the Legislative Fiscal Office and State Budget Office were directed to reach a consensus. In other years the two offices have been encouraged to discuss independent estimates and to try to reach agreement. In years in which agreement is not achieved, the General Assembly uses the legislative fiscal office estimate.

North Dakota—With legislative input, the executive branch has primary responsibility for the forecast. In addition, the Legislative Assembly must approve a balanced budget.

Ohio—Both the executive branch and the Legislative Budget Office produce separate revenue forecasts. The executive branch uses its forecast for the preparation of the executive budget. Members of House finance, Senate finance, and conference committees judge which forecast or combination of forecasts they will use at each step in the process.

Oklahoma—The Board of Equalization is a constitutionally created entity. It is provided information by the Tax Commission and the Office of State Finance (both are state agencies) to make the forecast. The constitution limits appropriations to no more than 95 percent of the official revenue estimate.

Oregon—A council composed of private economists reviews the economic assumptions used, but not the revenue numbers. Although there is no provision that binds the budget to the forecast, the Legislative Assembly does not substitute its own forecast. The requirement for a balanced budget is the primary reason; also, imposition of the revenue "kicker" law is based on the official revenue forecast.

Rhode Island—The constitution requires that only 98 percent of available resources be appropriated.

South Carolina—State law requires that the Board of Economic Advisors provide advice to the State Budget and Control Board by evaluating total revenues and expenditures, and by certifying amendments to the appropriations act that decrease or increase revenue. The Budget and Control Board monitors agency expenditures and revenues.

South Dakota—There is no "official" revenue forecast. The governor submits a new estimate for the ensuing fiscal year that is carried into session. Legislative staff develop an estimate. As part of the political process, an estimate is agreed upon and is adopted by the Joint Appropriations Committee.

Tennessee—The comptroller, treasurer and secretary of state are legislative branch positions.

Texas—The comptroller, who is a constitutional, statewide elected official, develops a forecast. The Legislature can override with a four-fifths vote of membership of each house, but this has not happened. The comptroller must certify that funds are available to finance the budget before the bill is sent to the governor for signature and line item veto. The comptroller may vary from his previously published revenue forecast as conditions merit.

Utah—Both executive branch and legislative branch develop forecasts. The Executive Appropriations Committee, comprising legislators, adopts the official estimate. The constitution mandates that appropriations not exceed estimated revenues.

Vermont—From the legislative Joint Fiscal Office and the executive secretary of administration, two estimates are merged into an official forecast by the "Emergency Board," which includes the four money chairs and the governor.

Virginia—The revenue forecast involves a two-step process: 1) review of the Tax Department's economic forecast by a Board of Economists appointed by the governor; and 2) review of the department's revenue forecast by a group of business leaders appointed by the governor. Although legislators attend the second meeting and legislative staff attend both meetings, responsibility for the forecast resides with the executive branch. The official forecast binds the budget. Total general fund appropriations are less than projected revenues, and total non-general fund appropriations are less than non-general fund revenues.

West Virginia—The governor can consider information from whomever he chooses, but the ultimate responsibility is his. The Legislature *could* pass and the governor *could* sign into law a bill that would increase state revenues considerably, but that increase cannot be utilized in the budget process unless the governor amends his official estimate. Traditionally, the governor makes such an amendment after reviewing legislation that has been passed and after monitoring another two or three months of receipts during the current fiscal year and watching the performance of the various sources of revenue.

Wisconsin—The Department of Revenue prepares an estimate, under statute, on November 20 of each even-numbered year. This estimate is used by the governor to prepare the executive budget. The Legislative Fiscal Bureau prepares an estimate each January. The Legislature incorporates the Fiscal Bureau's estimate in its budget legislation. There is no official state revenue forecast.

Guam—With legislative input, the executive branch has primary responsibility.

Northern Mariana Islands—The Office of Management and Budget, using Department of Finance revenue collections, develops the forecast. By constitutional mandate, the governor must submit a balanced budget with an accompanying detailed statement of the projected resources. Once the Legislature certifies and adopts the estimates as the official revenue for a particular fiscal year, the resulting appropriations act cannot provide for expenditures in excess of such