

Virginia State Budget Process

December 5, 2024

Virginia has a biennial budget system, which means it adopts a two-year budget.

The biennial budget is enacted into law in even-numbered years, and amendments to it are enacted in odd-numbered years.

1) Agency budget preparation phase.

State agencies analyze their programs and needs through a strategic planning process which includes a review of their mission and how well they serve their customers through customer satisfaction surveys or other methods of public input. **Rebenchmarking for SOQ costs are part of this process.**

2) Budget development phase.

Department of Planning and Budget analyzes the budget requests of agencies to verify costs, confirm the need for services, investigate any alternatives for funding, and identify policy issues for the Governor's consideration. This analysis takes place during the fall. In the late fall, the Governor and his Cabinet Secretaries work together to prepare a proposed budget which reflects the Administration's priorities. **The Governor submits his budget proposals to the General Assembly on or before December 20 in the form of a bill. The Governor's budget may contain both recommendations in terms of funding amounts and specific language items. The current budget and any proposed amendments this year make up what is termed "Governor's legacy budget."**

(3) Legislative action phase. (The Governor proposes and the General Assembly disposes)

The General Assembly convenes each year on the second Wednesday of January. The Governor's proposed budget is submitted to the General Assembly in the form of a "bill." In each house, the budget bill is referred to committees which hold public hearings and committee discussions. **In the House of Delegates, the House Appropriations Committee reviews the budget bill. In the Senate, the budget bill is referred to the Senate Finance and Appropriations Committee.** The committees may introduce amendments to the budget bill. **After review by each of these committees, the amended budget bill is brought to the floor of each house, where other amendments may be made. Each house votes on the amended budget bill.** After each house votes on its own version of the budget bill, the bill "crosses over" to the other house where it is again debated and voted on. **Before the General Assembly adjourns for the session, a conference committee resolves any differences between the versions passed by the two houses. The General Assembly then sends the budget bill to the Governor for his signature.**

(4) Governor's review phase.

The Governor reviews the bill passed by the General Assembly. **He may sign it, veto the entire bill or certain line items, or recommend amendments.** If the Governor vetoes the bill or any items of the bill, it goes back to the General Assembly during the reconvened session. **If he recommends amendments, the bill is returned to the reconvened session for consideration and action by the General Assembly on the Governor's proposed amendments.**

5) Budget execution phase.

The budget passed by the General Assembly and enacted into law goes into effect on July 1 in even-numbered years and on the date of passage in odd-numbered years. **Budget language items have the impact of law and may override existing items in the Code of Virginia. However, they only last for the life of the budget.**

General Assembly Website

(<http://viriniageneralassembly.gov/>)

- Meetings and Events
- House of Delegates
- Senate
- How to Track a Bill
- Lobbyist-in-a-Box
- State Budget