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Senate Bill 139 (as enacted)
Sponsor: Senator Roger Kahn
Committee: Appropriations

PUBLIC ACT 47 OF 2011

Date Completed: 6-3-11

CONTENT

The bill would amend the Management and Budget Act to modify certain provisions related to the State budget process. The revisions would include changing the date for the May Consensus Revenue Estimating Conference from the last week of May to the third week of May; adding Medicaid expenditures, and Human Service caseloads and expenditures, to the State revenue estimating process; and requiring economic and State revenue forecasts for the fiscal year in which the Conference is being held and the next two (instead of one) ensuing fiscal years, as well as General Fund and School Aid Fund revenue trend line projections for the next two ensuing fiscal years. This would result in official revenue forecasts for three fiscal years and trend line revenue projections for the ensuing two fiscal years, for a total of revenue estimates for five fiscal years.

The bill would require the State Budget Director to transmit the monthly financial report 30 days after the end of each month, instead of the current 45 days.

MCL 18.1367b et al.

BACKGROUND

There has been much discussion about changing the appropriations process. One of the proposals has been to move from a single-year to a multiple-year appropriations cycle; another issue pertains to completing the budget process earlier. Although there are potential legal issues involving the multiple-year appropriations process, there are other more technical statutory changes that can be addressed. This bill would amend the Management and Budget Act to allow the Consensus Revenue Estimating Conference to forecast for three additional fiscal years and to meet earlier in May in order to expedite the budget process.

The addition of Medicaid expenditures and Human Service caseload and expenditures to the estimating process would codify what has historically been the practice.

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Ellen Jeffries