

# POLICY BACKGROUNDER: THE BUDGET PROCESS

2020-21 Budget: \$92.2B (100%)

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Topics covered in this backgrounder:

- The Basics
- Budget Timeline
- Proviso Language
- GR, Trust Funds and Reserves
- Implementing Bills
- Seventy-Two Hour Public Review Period
- Additional Sources
- Recent News

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## The Basics

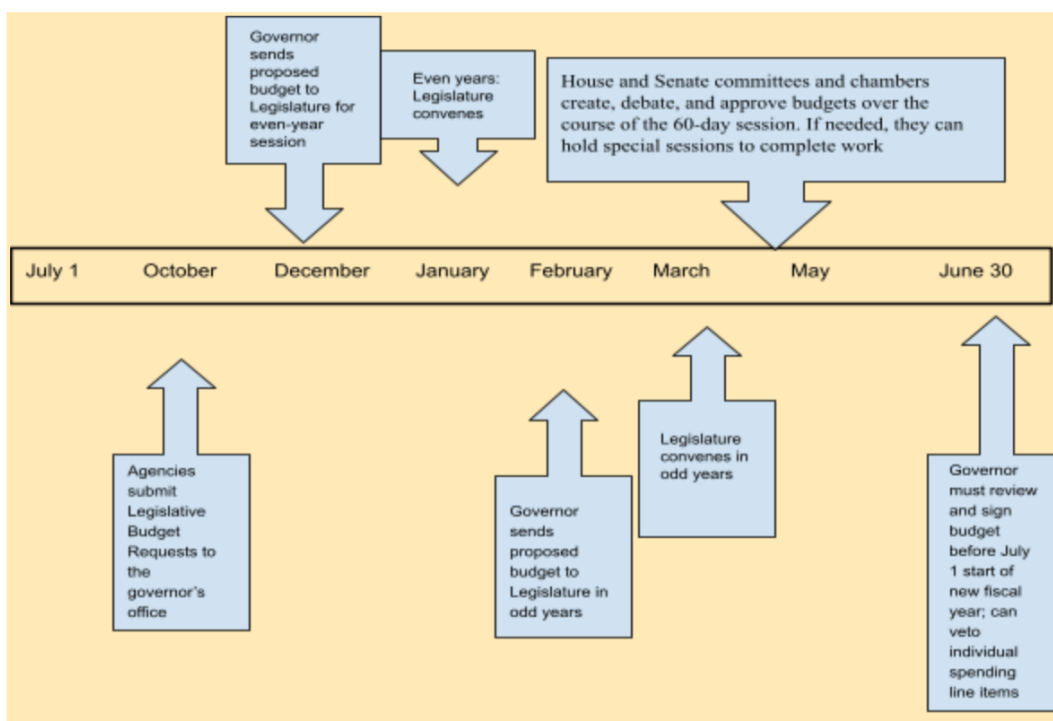
The Florida Legislature is only required to pass one bill each year – the state budget. Unlike Congress, Florida legislators are required by the state’s constitution to pass a balanced budget.

Florida’s fiscal year begins on July 1 – that’s the date the budget, typically written by lawmakers and signed by the governor a couple of months before July 1, goes into effect.

Almost immediately, the process for creating the next year’s budget starts. In the summer, state agencies and the court system update long-range plans and immediate needs and come up with a [budget request](#) for what they anticipate spending in the upcoming fiscal year, which at that point is still several months away.

[Find 2021-22 Legislative Budget Requests Here](#)

## Budget Timeline



[State law says](#) agency heads must submit their Legislative Budget Request “based on the agency’s independent judgment of its needs,” laying out each of the programs it funds, the number of employees it requires, and other details about how it intends to spend the money it is asking lawmakers to approve. If the agency wants to change the amount of money allocated to a particular program or believes it needs fewer or more employees, it lays out the reasons for that. The Legislative Budget Requests are submitted to lawmakers and to the governor’s office in the fall, by mid-October.

The governor generally uses agency budget requests to craft his proposed spending plan but is free to ask for more money or less for agencies in his own proposal. The governor’s proposed budget is due to lawmakers 30 days before the opening of the legislative session – which means he must get it to them in December before an even-year legislative session and in February of odd-numbered years.

Ultimately, the governor’s recommendation is just that – a suggestion for what the government should do and how much it should spend to do it. The Legislature writes the actual budget – sometimes going along with the governor’s suggested programs and spending amounts, sometimes changing them, sometimes ignoring them.

The Legislature writes two proposed budgets, one in the Senate and one in the House. Each chamber has an overall Appropriations Committee and budget subcommittees that write the various sections of the budget. For example, the House Health Care Appropriations Subcommittee writes the part of the House budget that funds the agencies that deal with health care. The budgets written by each chamber can be pretty different from each other, representing the differing priorities of the leaders and members of each chamber.

After each chamber has passed a budget, the two sides work out the differences in conference committees on each section of the budget. The issues the committees can’t solve are “bumped up” to the chairs of the appropriations committee and then, if still unsolved, to the House speaker and Senate president. [The appropriations bill](#) then goes to the governor to be [signed into law](#) before the state’s fiscal year starts on July 1. The

governor [can veto](#) individual spending items, returning the money unspent to state reserves. A two-thirds majority vote is needed to overturn any veto.

## Proviso Language

The Legislature often puts additional qualifications or restrictions on how the money lawmakers appropriate may be spent. Language in the budget legislation that does this is called “proviso.” For example, some appropriations may set out money for certain projects, but in proviso, lawmakers may more specifically say which projects may get priority over others. In the past, the use of [proviso language](#) has sometimes been controversial, with critics arguing that lawmakers sometimes try to use proviso in the budget to make changes to substantive law that weren’t passed as part of a regular bill that went through the ordinary process of legislative debate.

## GR, Trust Funds and Reserves

There are three places where [state revenue](#) goes: the General Revenue Fund, various trust funds, and the Budget Stabilization Fund.

General Revenue is the state’s main catch-all account for incoming revenue that’s not required by law to be earmarked for a specific purpose. Lawmakers have a lot of discretion when writing the state budget on how to spend general revenue.

Trust fund money is revenue that comes in already earmarked for a certain purpose either by law, the constitution or a trust agreement. Some examples: Lottery and slot machine revenue that is required to go into the [Educational Enhancement Trust Fund](#) to be spent on education and the Bright Futures Scholarship program, or certain documentary stamp tax revenue that is by law required to go for land acquisition.

## Implementing Bills

Appropriations implementing and conforming bills are separate bills from the budget itself but are needed to make changes in the law to put the spending in the proposed budget into effect and to conform state law to changes required by the budget.

## Seventy-Two Hour Public Review Period

[Article III, Section 19](#) of the state's constitution requires that a 72-hour period of time elapse between when the budget agreed on by the conference committee is published and made available to lawmakers and when lawmakers may actually take a vote. The idea is to give legislators, staff, interest groups and anyone in the general public time to read what's actually in the proposed budget before it is voted on.

## Additional Sources

[Ballotpedia Florida budget page](#)

[Florida TaxWatch Florida Budget Hub](#)

## Recent News

["A Closer Look at the 2021 Florida Budget Process,"](#) Spectrum News 13, 1-10-2021

["Florida Agencies Asked to Cut 8.5 Percent to Adjust for COVID-19,"](#) News Service of Florida, 8-12-2020

["Gov. DeSantis Vetoes \\$1 Billion From Florida Budget, Citing 'Difficult Circumstances,'"](#) News Service of Florida, 6-29-2020

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