



A comprehensive budget—a real budget—can empower legislators and improve management

An incomplete budget can limit legislators' policy contributions.

- Many states leave important aspects of fiscal policy out of the annual or biennial budget process.
 - The general fund is not total state spending. Trust funds, dedicated funds, cash funds, and other funds are part of state spending and absorb resources funding from the public.
 - Components of revenue policy are usually not part of the budget despite providing financing for the government. Tax preferences are often a substantial part of state fiscal policy as well.
- Excluding parts of the state budget reduces member and staff awareness of policies and increases the difficulty of managing them holistically.
- All fiscal policies affect the value that state residents get from the taxes and fees they pay.
- Failing to set up a regular review of everything leaves value on the table.

A comprehensive budget can help legislators drive better policy.

What is a comprehensive budget?

- A real budget: all spending (general fund and any other funds) and all revenue amounts—and any changes—are in one annual or biennial budget bill.
- Some states have a single bill with all or nearly all spending, but all could include more policies, especially on the revenue side.
- Committees would use their expertise to build all components of a full budget.

- Legislators' amendments in committees and especially on the floor could adjust priorities across all areas.

Why is a comprehensive budget valuable?

- Gives members of more committees a greater stake in a successful process.
- Empowers legislators to take ownership of budget priorities and outcomes, including by institutionalizing the ability to make regular progress toward policy objectives.
- Provides a more effective vehicle to pursue budget goals and targets.
- Reveals tradeoffs across fiscal policies, helps reduce overlap and fragmentation.
- Allows routine correction of imbalances with cover from other budget areas.
- Expands potential coalitions for budget and appropriations legislation.
- Frees up floor time for other legislation to update and improve programs.

A comprehensive budget is simply a best practice for budgeting.

- Includes all spending and revenue line items as a matter of course so legislators can build coalitions over time.
- Lets members channel their unique talents in committees and on the floor.
- Increases mutual benefits for members by involving them in multiple stages of the process.
- Strengthens the legislature's power of the purse and helps legislators lead on policy making.