

Department of Planning and Budget
2005 Fiscal Impact Statement
(Revised)

1. Bill Number SB871

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Cuccinelli

3. Committee Finance

4. Title Biennial appropriation act.

5. Summary/Purpose:

Provides that the Commonwealth's biennial appropriations shall start on July 1 of odd-numbered years beginning with the biennial appropriation act for the period July 1, 2009, through June 30, 2011. The bill would require that the fiscal year beginning July 1, 2008, would not be a part of any biennial appropriation act (i.e., it would be a single-year budget). The bill would not be effective unless the required constitutional amendment is adopted.

6. Fiscal Impact Estimates

The fiscal impact cannot be estimated.

7. Budget amendment necessary:

Yes. Each agency could have additional expense related to submission of a one-year budget request for FY 2009.

8. Fiscal implications:

State agencies would be required to submit a one-year budget request in 2007 for the fiscal year beginning July 1, 2008. The Departments of Planning and Budget, Accounts, Division of Legislative Services and agencies may incur costs to modify their financial systems to accommodate this change.

9. Specific agency or political subdivisions affected:

All state agencies.

10. Technical amendment necessary:

No.

11. Other comments:

Under the current system, the incoming Governor has before him a biennial budget prepared by his predecessor. Also under the current system the Governor in his last year in office prepares a biennial budget that he does not execute. The bill would allow the incoming Governor to propose a new biennial budget in his first year in office. He would also execute the first year of his second biennial budget. A constitutional amendment would be required

SB871

Page 2

so that the odd-year session would be a 60-day session and that the even year session would be a 30 day session. SJR 309 has been introduced for this purpose.

Date: 1/13/05 /jbc

Document: G:\05 Bills Fis\Sb871.Doc Jim Cook

cc: Secretary of Finance