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SENATE JOINT RESOLUTION NO. 350
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on Appropriations
on February 14, 1997)

(Patron Prior to Substitute—Senator Gartlan)

Establishing the Commission on the Commonwealth's Planning and Budgeting Process.

WHEREAS, Virginia has been recognized nationally as a leader in sound public financial management, because of its requirement for a balanced budget and its excellent process for projecting revenues under the current revenue structure; and

WHEREAS, pursuant to a recommendation of the Joint Legislative Audit and Review Commission, the Commonwealth has implemented a performance budgeting process, which integrates long-range strategic planning and performance measurement with budget decision-making; and

WHEREAS, an integrated long-range planning and budgeting process is an appropriate vehicle to collect and present to decision-makers the projected long-range costs of major budget drivers, and to prioritize other programs to receive funding in order for state government to operate within projected revenues; and

WHEREAS, inefficiencies, redundancies, and potential budgetary shortfalls are often indiscernible in the absence of a system which projects beyond the two-year window of the biennial budget; and

WHEREAS, understanding the full fiscal impact in the outyears of bills with long-range implications will better prepare the Commonwealth to meet the needs of future generations of Virginians; and

WHEREAS, to achieve the next level of excellence in the Commonwealth's financial management will require a mature process for compiling and presenting expenditure projections; and

WHEREAS, a six-year forecast of major budget drivers for each functional area of government, when publicly integrated with a current six-year revenue forecast, would give legislators and citizens a tool to better understand the budget implications of legislative actions and to address complicated public issues with a multi-year approach; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Commission on the Commonwealth's Planning and Budgeting Process be established. The commission shall be composed of 13 members as follows: four members of the Senate, to be appointed by the Senate Committee on Privileges and Elections; five members of the House of Delegates, to be appointed by the Speaker of the House; the co-chairmen of the Senate Committee on Finance; and the chairmen of the House Committee on Appropriations and the House Committee on Finance. During the course of its study, the commission shall seek the perspectives and input of persons with expertise in the relevant fields necessary to assist the study, to include persons in Virginia's business and higher education communities, and may establish advisory committees of such persons to assist the commission in its deliberations. Members of the advisory committees shall serve in a volunteer capacity and shall not be entitled to compensation or reimbursement for their expenses.

In conducting its study, the commission shall examine, but need not be limited to, the following issues: (i) the feasibility of providing an integrated six-year budget projection for major budget drivers for each functional area of government with each biennial budget; (ii) the models, mechanisms, and venues through which such a budget projection shall be prepared and presented; and (iii) the mechanisms to evaluate the proposed biennial budget and other legislation having an impact on the budget or the projections.

The direct costs of this study shall not exceed \$8,100.

The Joint Legislative Audit and Review Commission, the House Committee on Appropriations and the Senate Committee on Finance, and the Division of Legislative Services shall provide staff support for the study. The Secretary of Finance, the Department of Planning and Budget, the Department of Taxation, and all other agencies of the Commonwealth shall provide assistance to the commission, upon request.

The commission shall complete its work by December 1, 1997, and submit its findings and recommendations to the Governor and the 1998 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

HOUSE SUBSTITUTE

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