

# UC Berkeley

## California Journal of Politics and Policy

### Title

Punctuality is for the Bored: The California Budget Process

### Permalink

<https://escholarship.org/uc/item/2tn6d62g>

### Journal

California Journal of Politics and Policy, 7(2)

### Authors

Fowler, Luke  
Rudnik, Nicholas

### Publication Date

2015

### DOI

10.5070/P2cjpp7225820

### Copyright Information

Copyright 2015 by the author(s). All rights reserved unless otherwise indicated. Contact the author(s) for any necessary permissions. Learn more at <https://escholarship.org/terms>

Peer reviewed

## **Punctuality is for the Bored**

Luke Fowler and Nicholas Rudnik  
*Valdosta State University*

### **Abstract**

Late budgets have been an epidemic in the US at all levels of government for some time. No state has felt this pressure more than California in the 2000s. Between FY1999 and FY2010, only three of 12 budgets were passed on time or early. The focus of this article is to examine the effects of political and economic factors on the timeline of the budget, and how they contributed to the lack of punctuality of the state budget during the 2000s. The article presents a time-series analysis of the California budgeting process between 1999 and 2009. The results indicate that both political and economic pressures play an important role in shaping compromise and conflict within the budgeting process. The findings provide an interesting insight into the dynamics of budgeting in the state of California during the 2000s, and the tumultuous nature of political and economic pressures in creating a financing plan for a state government.

## **Punctuality is for the Bored**

Luke Fowler and Nicholas Rudnik  
*Valdosta State University*

### **Introduction**

Budgets represent the finance and spending plans for governments and typically are expected to be adopted by lawmakers before the beginning of the fiscal year that they are to be enacted. When lawmakers fail to adopt a budget before the beginning of the fiscal year, the budgets are considered late. Late budgets have become an epidemic at the state, local, and federal level in recent years. The recent shutdown of the federal government has highlighted the overwhelming conflict that occurs in the process of matching dollars to policies. This conflict is exacerbated at the state level where financing options are limited (i.e., balance budget requirements) and administrative and policy responsibilities are high (i.e., federal mandates and constitutional requirements). No state has felt this pressure more than California in the 2000s. Between FY1999 and FY2010, only three of 12 budgets were passed on time or early. On average, the state budget was nearly 36 days late. More precisely, under the Davis administration, only two of five budgets were passed on time or early, with the average being 25 days late; under the Schwarzenegger administration, only one of seven was on time, with the average being 44 days late. This chronic difficulty begs the question: why is California's budget always late? "Punctuality is the virtue of the bored" (Waugh 1976) is the most direct answer to this question. Budgeting in California certainly is not boring, given the myriad of political and economic pressures inherent to the process.

The focus of this article is to examine the effects of political and economic factors on the timeline of the budget, and how they contribute to the lack of punctuality of the state budget during the 2000s. This article proceeds with a background of the budgeting process in California and an overview of the antecedents of legislative gridlock. The article, then, presents a time-series analysis of the California budgeting process between 1999 and 2009. The results indicate that both political and economic pressures play an important role in shaping compromise and conflict within the budgeting process. The findings provide an interesting insight into the dynamics of budgeting in the state of California during the 2000s, and the tumultuous nature of political and economic pressures in creating a financing plan for a state government.

### **California Budgeting Process**

As the largest state in the union in terms of both population and economy, California's budgeting process is more complex than smaller states. Multiyear planning is inherent to California budgetary preparation (McCaffrey, 2006). Though, the budgetary process ostensibly begins with the Governor submitting his budget to the state legislature by January 10 of the fiscal year. The

Governor's budget must be balanced; if the budget is not balanced, the Governor must provide recommendations to levy additional revenue or cut existing programs to achieve fiscal balance. When the budget is submitted to the state legislature, it is introduced in both chambers and referred to the respective Assembly and Senate budget committees for further consideration. The budget bill, upon passage in one of the two legislative chambers, is then taken up by a conference committee where the Assembly and Senate work out differences between their two versions (McCaffrey 2006).

If faced with the prospect of protracted budgetary gridlock, the "Big Five" formally meet in an attempt to stave off budgetary crisis. The budgetary Big Five is composed of the governor, Speaker of the Assembly, president pro tempore of the Senate, and the minority leaders of each respective chamber (McCaffrey 2006). California conference committees are normally able to reach agreement. Constitutionally, the state legislature is required to pass a budget for the fiscal year by June 15. The governor is obligated to sign it by June 30, and the new fiscal year begins the following day on July 1. If expenditures in the budget bill passed by the legislature exceed revenues, the governor is empowered with an item veto in order to exact cuts in the budget to ensure fiscal balance. It is not uncommon for the legislature to provide recommendations to the governor as to the amount and specific items of the budget he should cut; though by no means is the governor obligated to accept the recommendations of the legislature (McCaffrey 2006).

Among the most critical institutional rules that greatly impact the California budgetary process is the supermajority requirement in order to pass the budget bill in both chambers of the legislature. Since constitutional reform in 1879, two-thirds of each chamber is required pass a budget resolution.<sup>1</sup> Much of California's budgetary gridlock and tardiness can be explained by the two-thirds rule (Klarnar, Phillips, and Muckler 2012). Budgetary gridlock is further exacerbated by the supermajority requirement, especially in a complex sociopolitical and economic state such as California. Other observers have decried the high threshold for passage due to an increased likelihood of pork barrel spending, or increased unnecessary expenditures in an attempt to exact budgetary deals (Musso, Graddy, and Grizard 2006). When a bipartisan consensus is effectively required to pass a budget, it increases the likelihood of costly deals being leveraged in order to compel recalcitrant legislators back into the fold and to vote for the budget bill. In 2010, California enacted a statewide referendum, Proposition 25, in order to require a simple majority to enact budgetary legislation. Proposition 25 may have cured some of California's woes with late budgets (Saskal 2010). In the three years since its adoption, budgets have been passed on time; however, it may be too soon to understand the real impact of Proposition 25.

Furthermore, between federal mandates and popular referendums, budgeting actors have their hands perpetually tied. The mass of the state's budget is set in stone before the legislative session begins (McCaffrey 2006). Unfunded mandates became an increasing concern for California state government beginning in the 1980s. Though the 1995 federal Unfunded Mandate Reform Act eased the burden of federal edicts on California government considerably, they continue to add an additional layer of fiscal calculus (Musso and Quigley 1997; Musso, Graddy, and Grizard 2006). This stretches to include issues with maintaining prisons in compliance with the 8th amendment (Newman and Scott 2012). Additionally, the state's substantial usage and reliance on popular referendums creates a straitjacket on the budgeting process (Musso, Graddy, and Grizard 2006). McCaffrey (2006) lists 15 different propositions that have implications for either revenues or expenditures in the budgeting process. Propositions 13 and 98, in particular, have shifted a

---

<sup>1</sup> Arkansas and Rhode Island are the only two other states with a two-thirds supermajority requirement (Musso, Graddy, and Grizard 2006).

large financial burden from local governments to the state government, forcing the state to serve as a central authority for redistribution of resources (Lucier 1980; McCaffrey 2006; Musso, Graddy, and Grizzard 2006). Taken together, budgeting actors have few options in dealing with conflicts. On the surface, California exhibits a relative straightforward budgetary process. However, between political and economic complexities and institutional quarks, this very straightforward process becomes very difficult to manage.

## **Gridlock in the Budgeting Process**

In recent decades, words like “gridlock” and “government shutdown” have become increasingly commonplace in the American political experience. In fact, the characterization of legislative gridlock did not enter the national political lexicon until the 1980s (see Safire 2008). Gridlock has become a substantial issue in recent years for agenda setting and policy adoption conflicts between legislative and executive branches (Binder 1999, 2003; Krehbiel 1998). This conflict has bled into the budgeting process as well, resulting in an epidemic of late budgets. That is to mean, negotiating and passing budgets within the proper time constraints as prescribed by law has been less and less frequent in recent years. In 2009, 11 states failed to enact a budget prior to the beginning of the fiscal year (Andersen, Lassen, and Nielsen 2012). Furthermore, from 1994 to 2014, 73.8 percent of congressional appropriations bills were signed after the beginning of the fiscal year (US Library of Congress 2014). The budget is the basic legal and administrative requirement for the government to continue to operate. Budgets are the essential plan for spending plan for any government. Both the federal government and the states are required to pass budgets in order to fund agencies and programs and grant the authority to expend public revenues. Without a budget, governments are forced to suspend government activities and programs. Budgeting may be more complex in states with larger public sectors and spending, thus creating a larger fiscal workload.

Significant research has been dedicated to understanding and critiquing the antecedents of this phenomenon. In fact, with a similar focus, Cummins (2012), analyzing data from 1901 to 2008, notes the saliency of both political and economic conditions in California as antecedents of budgetary gridlock. Additionally, the findings suggest that electoral conditions do not, necessarily, prompt an impetus toward alleviating budgetary gridlock. Among the most critical aspects in prompting a budget battle appears to be party polarization. Party polarization is particularly relevant because it is generalizable and applicable to the lion’s share of state legislative assemblies, unlike, say, California’s statewide referendum system (Cummins 2012). However, Cummins (2012) does not allow for variations within the annual process and assumes the broader political and economic factors play into the process only at annual-level rather than vary through the year.

In addition to party polarization, interparty conflict has been noted as a cause of gridlock (Mayhew 1991; Binder 2003). Partisan divisions in the political branches of government have strong impacts on the legislative process (Brady and Volden 1998; Krehbiel 1998; Mayhew 1991; Rogers 2005). The conventional wisdom until Mayhew (1991) was divided party government created such conflict in the process of policymaking that gridlock and a lack of productivity were the result. However, Mayhew (1991) challenges this assertion and contends divided party government is capable of being just as productive as unified party government. Further findings suggest that while gridlock is much more pervasive in government with divided party control (Alt and Lowry 1994; Fiorina 1996; Rogers 2005), empirical analyses indicate that legislative gridlock is a much dynamic phenomenon than explained by divided government alone (Edwards,

Barrett, and Peake 1997; Jones 2000; Klarner and Karch 2008). Additionally, as late budgets are unpopular, the potential of losing constituent support creates a significant drawback for parties. Failure to enact a budget may cause the governing party to lose control of one or both houses of the legislature, or the governorship (Fenno 1973; Mayhew 1974; Ferejohn 1986).

However, the political branches of government are not equal in the budgeting process, neither institutionally or politically. Institutional budget powers are not the same for the governor or the state legislature. This is true for California in which the governor enjoys a line-item veto, and the state legislature has the advantage of setting revenue estimations, among other budgetary powers differences (see above or McCaffrey 2006 for more detail on California's budgeting process and powers). Recent decades have seen a power shift between governors and state legislatures in the budgeting process (Abney and Lauth 1998; Goodman 2007; Dometrius and Wright 2010). However, recent findings indicate the balance of power between political branches in the budgeting process stems more from politics than from institutional rules. Therefore, it is expected that the substantive relationship between political and electoral pressure will not be the same for both the governor and the state legislature. The governor is a much more high profile target for the blame of late budgets, while state legislators can distribute the blame amongst themselves. Thus, it is likely approval and electoral pressure on the governor will be much more important in effecting the budgeting process than the same pressures for the state legislature.

State-level public opinions polls indicate late budgets lead to a significant decline in approval ratings of both the legislature and the governor (Kousser and Phillips 2009). As a result, in the face of late budgets or even more significantly in the face of a government shutdown, approval ratings are likely to be substantially diminished for all actors in the budget process. Of course, public approval can be tied to both political capital in policymaking (Kousser and Phillips 2009; Klarner, Phillips, and Muckler 2012). In recent history, late budgets were particularly damaging for Governor Gray Davis during the final two years of his administration, after having passed the two previous budgets on time (Wilson and Ebbert 2006). Thus, it is expected that approval ratings have an important influence on gridlock in the budget process. Diminishing approval ratings are likely to be more of a motivator to action for those with already low ratings, as compared to political actors with high ratings who can afford a drop. Additionally, high approval ratings may be a motivator for lawmakers to remain steadfast in their positions due to the perception of public support, while low approval ratings may be a catalyst for others to acquiesce. In other words, as approval ratings increase, budget actors have more political capital to expend in conflict over budgets, and more damage from the unpopularity of a late budget can be absorbed. Therefore, it is expected that increases in approval ratings lengthen the budget process.

At the individual level, there are important pressures associated with late budgets that create incentives for budgetary actors to cooperate or not to cooperate (Klarner, Phillips, and Muckler, 2012). Politicians have incentives either to compromise in order to pass a budget or to dissent in hopes of garnering more concession for their causes. It is important to note that a legislator's political considerations are not merely motivated by reelection or based solely on personal political gains, but these pressures are prevailing (Fenno 1973; Mayhew 1974; Ferejohn 1986). Foremost, failing to pass a budget may be detrimental to reelection prospects (Kousser and Phillips 2009; Klarner, Phillips, and Muckler 2012). Approval ratings are a strong indicator of public support, and as public support erodes, reelection may be more concerning for incumbents. To shore up electoral prospectors, legislators can utilize the budgeting process. Findings indicate legislators funnel money into their districts more readily during election years when they have prospects of reelection than when they do not (Aidt and Shvets 2012). Additionally, voters are less likely to

support candidates they see connected to a hapless government, especially when that haplessness has had an adverse economic impact (Lucier 1980). Therefore, it is expected that budget actors will be more interested in compromise to produce a finished budget, than in conflict to guarantee policy priorities as elections creep closer. While upholding policy agendas may have some electoral benefits, appearing ineffectual or limiting government spending to supporters is likely a more important political liability than abandoning certain priorities.

At the bare minimum, state legislators incur personal costs associated with late budgets. Among the most important of personal costs is the additional time spent negotiating a budget for the fiscal year. In citizen legislatures, personal costs tend to be highest, where legislators serve part-time, and often are away from their personal enterprises or families during the legislative session (Kousser and Phillips 2009; Andersen, Lassen, and Nielsen 2012; Klarner, Phillips, and Muckler 2012). On the other hand, personal costs associated with professional legislatures tend to be mitigated with longer sessions and higher, full-time salaries, as they have more time and resources to engage in a long, protracted budget battle (Kousser and Phillips 2009). As a state with a professional legislature (Kurtz, et al. 2006; Kousser and Phillips 2009), actors in California's budget process are likely to have less personal costs, and therefore less disincentive to produce a late budget. In fact, out the 20 budgets signed into law between 1991 and 2011, only four were signed before the beginning of the fiscal year.

In addition to the political pressures associated with late budgets, there are also economic pressures related to the budget process. Late budgets become more likely during periods of economic uncertainty (Samuelson and Zeckhauser 1988; Andersen, Lassen, and Nielsen 2012, 2014). Stable economic conditions allow political actors to maintain the status quo in the budgeting process. However, when economic conditions become unstable (i.e., economic recession), resource scarcity creates shockwaves in the process. More specifically, poor economic conditions create uncertainty in the economic system, making budget decisions more contentious. Economic indicators, such as the unemployment rate, have also been found to be a strong predictor of budgetary delays (Andersen, Lassen, and Nielsen 2012). Furthermore, the appropriation of more limited resources leads to more conflict as decisions are made over new funding levels and a challenge to the existing status quo (Samuelson and Zeckhauser 1988; Andersen, Lassen, and Nielsen, 2012; Haggerty 2013). This is particularly troublesome for California that relies on a taxing system that is heavily tied to economic conditions, causing overproduction of revenue in good years and underproduction in bad years (McCaffrey 2006). The result is good economic conditions reduce budget conflict, and poor economic conditions intensify it. The matching of funding levels to political priorities is a major catalyst for budgetary delays, as new decisions are forced into the process, more conflict occurs. Changes in economic conditions are the most likely pressure for new funding decisions to be made (Andersen, Lassen, and Nielsen 2012). Thus, it is expected that limitations on resources, in the form of decreased revenues and increased expenditures, will result in more budgetary conflict and a longer budgeting process.

Furthermore, balanced budget requirements only exacerbate the pressure from revenue shocks (Klarner, Phillips, and Muckler 2012). Passing budgets on time are an indicator of good fiscal governance (Putnam 1993). States that fail to pass budgets by the beginning of the fiscal year can also find it more difficult or costly to borrow money (Andersen, Lassen, and Nielsen 2014). This produces another limitation on available resources, as states find it more difficult or expensive to borrow to close the gaps between revenues and expenditures. California's foibles with debt over the last decade have been storied, and at times have resulted in bonds being downgraded to junk status (California State Treasurer 2014) and payroll being met with regis-

tered warrants (i.e., IOUs) (California State Controller 2014). The exceptionally high debt incurred by the state has made access to credit markets more difficult. Additionally, public debt in general leads to conflict in state legislatures as the general fiscal health of governments has become a salient issue over the last decade (Yarrow 2008). Therefore, it is expected that increased debt will lead to more conflict and a longer budgeting process.

It is important to note the economic duality of the failure to pass a budget, in which an underperforming economy causes budgetary conflict, and late budgets cause adverse economic effects. Late budgets actually lead to poor economic conditions as well. The 2013 federal government shutdown had an estimated \$24 billion economic impact (Haggerty 2013). More importantly, states that fail to pass budgets on time find that economic markets “punish” them more harshly during periods of fiscal and economic strain. Late budgets during periods of economic turmoil indicate to economic actors that politicians are unable to effectively remedy fiscal crises, and economic actors respond accordingly (Andersen, Lassen, and Nielsen 2014). This, in turn, creates the high political costs associated with a faltering economy. While economic and personal costs are important factors in passing a budget by the beginning of the fiscal year, when political costs are highest for legislators, they are most able to enact a budget on-time and avoid legislative gridlock (Klarner, Phillips, and Muckler 2012). Therefore, it is expected that poor economic conditions will actually shorten the budgetary conflict by creating pressuring to act sooner rather than later.

## Methodology

### Analysis Technique

Initial data exploration indicated an autocorrelation issue that was beyond the capacity of Ordinary Least Squares (OLS) regression (Chatterjee and Hadi 2006; Graddy and Wang 2008).<sup>2</sup> Further data exploration<sup>3</sup> suggested an Autoregressive-Moving-Average (ARMA) model was the best solution for fitting the statistical model to the causal model and available data (Hy and Woolscheid, 2008; Asteriou and Hall, 2011). The autoregressive ARMA formula is defined as:

$$X_t = c + \sum_{i=1}^p \varphi_i X_{t-i} + \varepsilon_t$$

where,  $X_t$  is a series,  $\varphi_1, \dots, \varphi_p$  are parameters of the model,  $c$  is a constant, and  $\varepsilon_t$  is white noise (Mills 1990). ARMA is based on the work of Box and Jenkins (1970) and was developed for hypothesis testing in time-series analysis when there is a (weak) stationary stochastic process. In contrast to OLS, the autoregressive aspect assumes the output variable is linearly dependent on its previous values, while the moving average controls for observations that lie outside the norm (Box and Jenkins 1970; Mills 1990; Asteriou and Hall, 2011). This allows for the estimations of models in which outcome variables are highly dependent on their previous values (see Box and Jenkins 1970 or Mills 1990 for more details on ARMA estimation).

---

<sup>2</sup> Use of the Prais-Winston correction did little to solve the problem, so it was concluded that a more sophisticated technique was necessary for the time-series analysis.

<sup>3</sup> Several analysis techniques were considered, but ARMA was found to have the most applicable assumptions and to produce the most effective estimations based on diagnostic tests and residual variance.



Given the assumptions that the budgeting process is a stationary process that is only being affected by the changes in the political and economic environment, the ARMA model allows for the estimation of the effects of the environment on the process while considering the role previous values have in predicting the outcome variable, in this case the end of the budget process. Additionally, the organization of the data assumes dependence between observation dates which is taken into consideration by the ARMA model. Furthermore, the ARMA model does not require continuous data and allows for gaps in observations when estimating final models. These are accounted for with time codes on the observation dates, so the final estimations take into account any gaps between observations. Therefore, the ARMA model best matches statistical assumptions with theoretical assumptions and the available data. In comparison to other analysis techniques, ARMA was chosen for its strengths in analyzing time-series data and its fit with the causal model. The budgeting process, along with the data for this analysis, is well fitted within these assumptions. The Box and Jenkins (1970) methodology for model identification was employed (Box and Jenkins 1970; NIST/SEMATECH 2014). Review of the data distribution and initial testing of ARMA forms indicated that a first order autoregressive model was the best fit for the data (see Mills 1990 or NIST/SEMATECH 2014 for more details on identifying and fitting forms of ARMA).<sup>4</sup> The AR(1) model is defined as (Mills 1990):

$$S(f) = \frac{\sigma_z^2}{[1 - \varphi_1 e^{-2\pi i f}]^2} = \frac{\sigma_z^2}{1 + \varphi_1^2 - 2\varphi_1 \cos 2\pi f}$$

The AR(1) model is a special form that derives from the ARMA formula; it simply defines a set of assumptions about the distribution of data. This special form is used to estimate the model here. Further diagnostic tests indicated the model was a good fit to the data, and no other assumptions were violated. Four statistical models are presented to isolate the effects of the two theoretically important groups of independent variables: (1) model 1 includes only the political and control variables; (2) model 2, only the economic and control variables; (3) model 3, all variables; and (4) model 4, only the statistically significant variables from the full model. Models are compared using the Bayesian Information Criterion (BIC) and Akaike Information Criterion (AIC) which consider both the log likelihood and the number of parameters in comparing model strength (see Chatterjee and Hadi, 2006 for more detail on calculation).

## Data and Variables

Since many of the variables affecting the budget timeline are time variant, changing on a regular basis throughout the budget cycle, an innovative dataset had to be created. The first step was to determine the level of observation. In doing so, the availability of polling data on gubernatorial and legislative approval had to be determined. The University of California Berkeley's Archive of Social Science Data contains a collection of state-level polls of political issues, which include approval ratings (University of California Berkeley 2014). However, approval ratings are not consistent in question wording and inclusion for all polls. Additionally, some polls occurred after the passage of the budget, creating potential causality issues. Thus, polls with consistent

---

<sup>4</sup> The graphical distribution of the outcome variable most closely matched that of the AR(1) distribution; testing of alternative forms of the ARMA model supported this conclusion based on diagnostic tests and residual variance. The ARMA model form was specified based on 1 autoregressive term (p), 0 non-seasonal differences (d), and 0 lagged forecast errors (q).

wording for both gubernatorial and legislation approval occurring before the passage of the budget were identified. The next problem that arises is that the data from these polls cannot be generalized across the entire budgeting process, allowing for the level of analysis to be the budgeting year. However, these polls do provide data on the specific dates in which they were conducted. Therefore, it was determined the level of observation are days in the budgeting process.

Of course, data at this level was only available for the specific dates in which the selected polls were conducted. Thus, every observation is for a specific day in the budgeting timeline; the selected days are listed in Appendix A. Henceforth, these will be referred to as the observation dates. These dates represent a selection of 195 days out of the 2085 days in the budgeting process<sup>5</sup> from 1999 to 2009,<sup>6</sup> or approximately 9.4 percent. Clearly, the polling days are not randomly selected and correspond to pre-existing political issues that other researchers are attempting to capture. Even as some of the dates may follow a pattern these are likely connected to milestones in the legislative session. While these polls may correspond to periods of particularly “heated” debate in state politics, it is these periods that are most interesting in effecting the budgeting debate, as they will be the substantive in influencing interparty and interbranch negotiations. Furthermore, it is not assumed that any gaps in observations are directly related to the budgeting process, but to state politics as a whole. Thus, they seem to be the most substantive to include in the analysis. Additionally, there is a practical concern that this is the readily available data. While there are, admittedly, limitations to this data, it is what is available, and wholly disregarding limits the insight that is possible through this analysis.

The years 1999 to 2009 were selected for several reasons. First, and most important, there were significant constraints of available polling data, as mentioned above.<sup>7</sup> Second, this period creates a cross-section that includes diverse economic and political conditions. These include the period immediately prior to the early 2000s recession, the early 2000s recession, the intermediate period of recovery, and the late 2000s recession. Additionally, this timeframe is almost evenly split between the administrations of Davis and Schwarzenegger, and divided and unified government.<sup>8</sup> Finally, this is prior to Propositions 25 and 26, which altered the constitutional budgeting constraints.<sup>9</sup> The selected days represent a range of time during the budgeting process with the average of 102 days before the governor’s signing date, 24 percent of observations occur less than 50 days before the signing date, 17 percent occur between 50 and 100 days before, 41 percent occur before 100 and 150 days, and 18 percent occur more than 150 days before the signing date. The dependent variable is the days until the governor signs the budget. Days until the governor’s signing is measured as the count of days between the observation date and the date the

---

<sup>5</sup> Days in the budgeting process for the purposes here are the days from the first legislative day in January until the governor signs the budget. The California State Legislature has an initial meeting in December. This meeting is meant for organizational purposes and tends not to include any budgetary business. Following this meeting, the legislature adjourns until the first Monday in January, except when January 1 falls on a Monday or a Sunday, then the meeting is held the following Wednesday (Janiskee and Masugi 2011).

<sup>6</sup> No usable poll data was available for 2001, so it is not included in the dataset.

<sup>7</sup> In addition to issues of consistency, researchers outside of the University of California system are only allowed access to data through 2009. Therefore, any data collected after 2009 was not readily available.

<sup>8</sup> Variables to represent these divisions were included in the model, but diagnostic tests indicate it created issues of multicollinearity with other variables; therefore, it was dropped from the analysis.

<sup>9</sup> Propositions 25 and 26 altered the supermajority requirements for budget passage. Not enough data currently exists to consider these effects on the budgeting process.

governor signs the final budget passed by the state legislature. Data on the dates of gubernatorial signing of the budgeting was obtained from the California Department of Finance (California Department of Finance 2014a). The variables are described in Table 1.

The independent variables are divided into three categories: political, economic, and control. First, the political variables include gubernatorial approval, legislative approval, days until the next legislative election, and days until the next gubernatorial election. Gubernatorial and legislative approval measure the portion of survey participants who approve of the job being done by state leadership. The survey item used for measuring approval was: “Do you approve or disapprove of [name of governor/the California state legislature] is doing [his/their] job?” (UC Data 2014). Gubernatorial and legislative approval were, therefore, measured as the percentage of survey participants responding approve to this survey item.<sup>10</sup> The findings from this survey item were applied to every day in which the survey was in progress.<sup>11</sup> All survey data was collected from the University of California Berkeley’s Social Science Data Archive (UC Data 2014).

Days until the next election count the number of days from the observation date until the date of the next election for either the legislature or the governor. In California, members of the lower house of serve two-year terms and members of the upper house serve four-year terms with half of the membership up for reelection every two years. Therefore, every two years 100 (80 from the house and 20 from the Senate) of the 120 members of the state legislature are up for election. Elections are held the first Tuesday of November in even numbered years. On the other hand, the governor serves four-year terms, with elections held the first Tuesday of November of even numbered years in which there is not a presidential election.<sup>12</sup> The dates of elections were obtained from the California Secretary of State (California Secretary of State 2014).

Second, the economic variables include change in personal income from the previous quarter to the observed quarter, revenue change from the previous fiscal year to the observed fiscal year, expenditures change from the previous fiscal year to the observed fiscal year, and debt change from the previous fiscal year to the observed fiscal year. Data on economic pressure in the budgeting process is not as time variant as for the political variables. Personal income change is calculated as the change in the personal income from the previous quarter. While it only varies quarterly, this is an indicator of the direction of the California economy that changes throughout the budgeting process. Data on personal income was obtained from the US Bureau of Economic Analysis (BEA 2014).

Revenue, expenditure, and debt change is the percentage change in state revenues, expenditures, and debt between fiscal years, respectively. These are based on the final budget numbers for each fiscal year. Actors in the budgeting process would have estimations of revenues and ex-

---

<sup>10</sup> Both variables were recoded to eliminate any nonresponse categories. The standard weight created for the poll was used.

<sup>11</sup> If the survey ran from July 1 to July 4, the approval ratings from the survey were applied to July 1, July 2, July 3, and July 4.

<sup>12</sup> The 2003 recall election was a departure from this. The recall petition was certified, and an election date was set on July 23, 2003. The State Assembly and Senate passed the budget on July 27 (4 days later) and July 29 (6 days later), respectively. The governor signed the budget on August 2 (10 days later). However, this is not included in the modeling of days until the next gubernatorial election. Since it occurred so late in the budgeting process, it is unlikely to have an effect on the coefficients. Any pressure placed on Gray Davis during this time would be accounted for in gubernatorial approval. Additionally, no special elections for the state legislature are included as these are likely too limited to affect the budgeting process.

**Table 1. Description of Variables**

<b>Variable</b>	<b>Definition</b>	<b>Time Variance</b>	<b>Mean</b>	<b>Max.</b>	<b>Min.</b>
Observation Days	The specific date in which the variables are observed in the dataset	Daily	-	-	-
Days until Governor's Signs Bill	Count of days between the observation date and the date of the Governor's Signs the appropriations bill for that FY	Daily	91.6	219	-43
Gubernatorial Approval	Poll based measure of approval of gubernatorial job performance	Daily	50.6%	75.8%	27.2%
Legislative Approval	Poll based measure of approval of legislative job performance	Daily	69.0%	38.9%	16.4%
Days Until Legislative Election	Count of days between the observation date and the date of the next legislative election	Daily	340.8	638	51
Days Until Gubernatorial Election	Count of days between the observation date and the date of the next gubernatorial election	Daily	652.5	1,366	51
Revenue Change	Percent change in state revenue collection between the previous and observed fiscal year	Annually	2.5%	22.7%	-19.3%
Debt Change	Percent change in state debt between the previous and observed fiscal year	Annually	12.5%	33.6%	1.9%
Expenditure Change	Percent change in state expenditures between the previous and observed fiscal year	Annually	3.7%	17.4%	-11.7%
Personal Income Change	Percent change in personal income between the previous and observed fiscal quarter	Quarterly	1.07%	3.94%	-2.92%
Days until end of Fiscal Year	Count of days between the observation date and June 30 (end of FY)	Daily	76.4	177	-76

penditures early in the budgeting process, and these estimations would form the basis of any spending plan developed. In turn, budgeting actors would have a strong idea how spending plans would require the incursion of debt. While the estimations made during the process could be used, these estimations may not be consistent for all actors or consistently accurate. Thus, there is no way to isolate the effect of any estimation on the process. However, the finalized numbers for revenues, expenditures, and debt should be a strong stand-in for any estimation made throughout the budgeting process, as any accurate and consistent estimation available should be close to the actual final numbers. These variables are used as they represent the principle economic constraint on the budgeting process: the availability of resources. Data on state revenue and expenditures was obtained from the California Department of Finance (California Department of Finance 2014b). Data on state debt was obtained from the US Statistical Abstract of the States (US Census 2014).

Finally, the control variables include the days until the end of the fiscal year. California's fiscal year runs from July 1 to June 30 every year (California Department of Finance 2014b). Days until the end of the fiscal year counts the number of days from the date of observation to the end of the fiscal year (California Department of Finance 2014b). Clearly, the further into the fiscal year allowed for the budget process, the more likely it is to pass. Additionally, political and economic pressure during the first month of the budgeting process is not equal to the same pressure during the last month. While this control variable does not provide any theoretically important insight into the budget process, it is necessary for controlling for differences in political and economic pressure at different times in the budgeting process.

## Results

The results of the ARMA model are displayed in Table 2. Based on findings from models 1, 3, and 4, political factors do have an important impact on the budgeting process. Days until the next gubernatorial election is the only political variable to remain substantively stable and statistically significant across all models. However, in the absence of the economic factors the impact of other political variables is significantly obscured. While gubernatorial approval and days until the next legislative election are statistically significant predictors in models that include economics variables (models 3 and 4), they are not in absence of economic variables. Additionally, the direction of the relationship shifts between these models; this further suggests the interaction between economics and politics is important. When considered with economic variables, increased gubernatorial approval leads to a lengthened budgeting process. The substantive importance of gubernatorial approval is particularly interesting, as it has a very strong impact on the budgeting process compared to other political variables. This taken together with the findings for gubernatorial election indicates that the governor plays a much more important role in dictating the budgeting timeline than the state legislature. Additionally, as both legislative and gubernatorial elections get closer, the budgeting process is shortened. The finding for gubernatorial election holds steady in the model including only political variables as well. Therefore, electoral pressure is of significant influence for the budgeting process, especially for the governor.

Findings from models 2, 3, and 4 indicate the strong, steady impact that economic factors have on the length of the budgeting process. All four economic variables remain substantively stable and statistically significant across all models. The findings for revenue change and income change indicate positive change lead to a longer budget process. On the other hand, the findings for debt and expenditure change have the opposite effect. As California's taxing scheme is heavily affected by economic performance and personal income (McCaffrey 2006), this likely indicates that poor economic performance reduces available resources and places a heavier burden on the process. Conversely, decreased financial obligations for the state ameliorate the burdens. The relationship between the economic variables and the length of the budgeting process is much more stable than that for the relationship between the political variables and the length of the budgeting process. This suggests the influence of economic factors is transcendent. Furthermore, it is apparent that changes in expenditures and debt have the largest impact on the budgeting timeline. This is, of course, the crux of the budgeting debate that occurs at all levels of government every year. These variables are important, but the findings only confirm what any actor in the budgeting process already knows: spending levels and borrowing are the hot button issues. Nevertheless, other economic variables put pressure on the process as well.

**Table 2. Findings from ARMA Analysis**

	<b>Model 1***</b>	<b>Model 2***</b>	<b>Model 3***</b>	<b>Model 4***</b>
Gubernatorial Approval	-4.48	-	53.77***	52.46***
Legislative Approval	12.41	-	-7.28	-
Days Until Leg. Election	-.002	-	.009*	.007*
Days Until Gov. Election	-.026***	-	-.010***	-.010***
Revenue Change	-	16.49**	32.93***	32.59***
Debt Change	-	-95.51***	-172.72***	-166.71***
Exp Change	-	-383.01***	-401.82***	-400.92***
Personal Income Change	-	.508	1.16***	1.05***
Days End of FY	1.02***	.991***	.978***	.975***
Constant	32.88	38.69	26.48	24.00
BIC	349.35	207.55	118.92	115.10
AIC	323.17	181.37	79.64	79.10
N	195	195	195	195

Note: statistical significance is indicated at \* < .05, \*\* < .01, \*\*\* < .001 levels.

Finally, comparisons between models indicate the strongest models are those that combine both economic and political variables (model 3 and 4). When taken together, both political and economic factors are substantively important and statistically significant in effecting the budgeting timeline. Therefore, it cannot be argued that either politics or economics can be ignored when considering the budgeting process. Despite the instability of political factors and the significant impact of economic factors, the superior models include both. The interaction between these two groups of variables is important in further cementing the idea that the budget is both an economic and political endeavor, and cannot be separate from either.

## Discussion

State budgeting is a political process by virtue of the very actors and manner which it is developed. The statistical analyses indicate that political factors are less important than economic considerations in the California budgetary process. As the model comparison statistics in Table 2 indicate, the model containing only economic variables is superior to that of the model containing only political variables. This suggests economics account for a more substantive portion of the variation than politics. However, gubernatorial power cannot be understated in shaping budget priorities. In fact, the electoral pressure on the governor appears to be the most stable political factor affecting the process. Other political variables lack stability or statistical significance in the analyses. While others have certainly demonstrated, paralleling our study, the important intermix of both politics and economics in prompting significant budgetary impasse: our analysis goes a step further. By allowing for variability of political and economic effects within the annual process, a more robust relationship has been modeled than previous scholarship. Granularly, others have contended that while both politics and economics contribute to budgetary delay, electoral circumstances do not contribute to budgetary delay (see Cummins 2012). On the contrary, the findings here demonstrate, however minimal, there is a significant relationship that exists

between budgetary gridlock and the days before the next gubernatorial election. Even more, the electoral pressure on the governor was demonstrated as the most stable variable across all models in which it is included. In short, while the findings here concur with others that politics and economics are two inseparable facets of state budgeting, the findings also indicate that electoral pressures are notable for the governor during the process. When combined with the gubernatorial approval ratings and economic conditions, moving closer towards elections clearly affects the capacity of the governor to wage budgeting battles. What can be posited based on the data is that the duration until the governor's reelection is a significant determinant in the budgetary process. Though, the duration until the next gubernatorial election is the only stable political variable across every model in which it is included, both the governor's approval rating and the days until the next legislative election are important and significant when economic factors are included in the analysis. Thus, due to the fact that the economic and political factors are not severable concepts in reality, gubernatorial approval and legislative elections are other critical considerations in explaining late budgets.

On the other hand, the strongest economic variables relate to changes in expenditures and debt. Though, these factors could be, in fact, simply mutually reinforcing with the dependent variable. Thus, it stands to reason that protracted budgetary conflict may be explained by the levels of state expenditure and debt; for these factors are inherent to the budgeting process in a core, foundational sense. Additionally, changes in revenue exhibit a strong relationship across all models in which it is included. What is observed is that debt, expenditures, and revenue are the most important economic factors included in the model. Changes in personal income and days remaining in the fiscal year do not have as appreciable an impact on the dataset; returning to the inherent nature of budgeting, it is a political process concerning laying revenues, expending public funds, and managing state debt—these factors *should* be the most important. Concomitantly, the days until the end of the fiscal year variable are significant across all three economic models yet are not highly impactful; California's budget tardiness is so pervasive, it would stand to reason that this consideration would not sufficiently impact a legislator's decision-making process when deciding between forging a budget deal or placating to more gridlock.

The conclusion to be drawn from the analyses is political and economic factors are highly interrelated concepts. In short, they are not mutually exclusive abstractions but mutually reinforcing elements. Budgeting is strongly influenced by the economy, but the behavior of actors in the budgeting process is still inherently political. The economy undeniably influences the political field and thus the budgeting process. In summary, budgeting certainly does not belong squarely in one camp or another; it is a dynamic process concerning both economic realities and political concerns. In California, state revenues, expenditures, and debt all significantly impact the budget process—it is likely that this will be true for any budgetary study for all three are inherent to the process. Politically, electoral considerations (days until the next legislative or gubernatorial elections) are significant but minimal. Gubernatorial approval is the most significant determinant in budgetary gridlock when the economic variables are included in the model. Since these are not mutually exclusive phenomena, in the actual political field, gubernatorial approval should not be understated when evaluating the antecedents of late budgets.

## Conclusions

While the state's two-thirds majority historically has made the budgeting process more difficult, it does not wholly drive the budgeting process. The inherent political and economic context

of negotiating taxing and spending are driving the process, though. It is this context that defines the variation between passing budgets on time and weeks if not months late. These findings provide further insight into the difficulty connected with passing budgets in a state with economic and political instability. While the political troubles may be difficult to grasp, the economic issues are certainly within reach. The findings suggest that creating a more stable economic system could ameliorate some of the ongoing budgetary conflict. A revenue system that is not as heavily influenced by economic cycles (McCaffrey 2006) would produce greater stability, greater certainty about future revenues, and reduce significant year-to-year variations in available resources and expenditures, leading to pacified budgetary conflict. Clearly, politics play some role here, but economics is a major source of conflict and subsequently late budgets. To effectively deal with the budgetary difficulty in the state, lawmakers must come to terms with certain economic realities and begin to consider reformulating the revenue system to better serve the functions of government. In this case, that would include creating greater stability in revenues and expenditures, and adopting budgets on time.

Further research should focus on the interrelated nature of politics and the economy as it relates to budgetary formulation. This study is primarily concerned with the budgetary process in California. As a case study, California budgeting is a precarious yet important unit of analysis. Protracted late budgets in the highly populated and economically developed state make California ripe for rigorous study. However, further study at the national level should be conducted on the impact of economic and political considerations in the budgeting process, to better understand their effects in shaping gridlock. The notion that revenues, expenditures, debt, days until the governor's next election, and gubernatorial approval all impact the likelihood of protracted gridlock is hardly revolutionary. What is most importantly gleaned is that in terms of causality, the evidence suggests that economic conditions prompt certain political circumstances. Though these concepts are interrelated, political concerns are reactionary and subordinate to aggregate economic conditions. This stands to reason for budgetary conditions are unlikely to sufficiently change until prompted with a phenomena to change in response to. Further scholarship will have to determine to what extent the economy has over budgetary decision-making, though our study opens the conversation by demonstrating a causal link between the two concepts.



## References

- Abney, G., and T. P. Lauth. "The End of Executive Dominance in State Appropriations." *Public Administration Review* 58, no. 5 (1998): 388–94.
- Aidt, T. S., and J. Shvets. "Distributive Politics and Electoral Incentives: Evidence from Seven US State Legislatures." *American Economic Journal: Economic Policy* 4, no. 3 (2012): 1–29.
- Alt, J., and R. C. Lowry. "Divided Government, Fiscal Institutions, and Budget Deficits: Evidence from the States." *American Political Science Review* 88, no. 4 (1994): 811–28.
- Andersen, A. L., D. D. Lassen, and L.H.W. Nielsen. "The Impact of Late Budgets on State Government Borrowing Costs." *Journal of Public Economics* 109 (2014): 27–35.
- . "Late Budgets." *American Economic Journal: Economic Policy* 4, no. 4 (2012): 1–40.
- Asteriou, D., and S. G. Hall. *Applied Econometrics*, 2d edition. New York: Palgrave MacMillan, 2011.
- Binder, S. "The Dynamics of Legislative Gridlock, 1947–96." *American Political Science Review* 93, no. 3 (1999): 519–33.
- . *Stalemate: Causes and Consequences of Legislative Gridlock*. Washington, DC: Brookings Institution Press, 2003.
- Box, G., and G. Jenkins. *Time Series Analysis: Forecasting and Control*. San Francisco: Holden-Day, 1970.
- Brady, D. W., and C. Volden. *Revolving Gridlock: Politics and Policy from Carter to Clinton*. Boulder, CO: Westview Press, 1998.
- California Department of Finance. "Chart J: Historical Data: Growth in Revenues, Transfers, and Expenditures in the General Fund." 2014a. <[http://www.dof.ca.gov/budgeting/budget\\_faqs/documents/CHART-J.pdf](http://www.dof.ca.gov/budgeting/budget_faqs/documents/CHART-J.pdf)> accessed February 18, 2015.
- . "Chart P-1: Historical Data: Budget Act Dates, and Veto Information." 2014b. <[http://www.dof.ca.gov/budgeting/budget\\_faqs/information/documents/CHART-P1.pdf](http://www.dof.ca.gov/budgeting/budget_faqs/information/documents/CHART-P1.pdf)> accessed February 18, 2015.
- . "Finance Glossary of Accounting and Budgeting Terms." 2014c. <<http://www.dof.ca.gov/fisa/bag/documents/GlossaryofBudgetTerms.pdf>> accessed February 18, 2015.
- California Secretary of State. "Election Results for Statewide Elections." 2014. <<http://www.sos.ca.gov/elections/statewide-elections/>> accessed February 18, 2015.
- California State Controller. "State Controller's Office Information on Registered Warrants (IOUs) Issued in 2009." 2014. <[http://www.sco.ca.gov/eo\\_news\\_registeredwarrants.html](http://www.sco.ca.gov/eo_news_registeredwarrants.html)> accessed February 18, 2015.
- California State Treasurer. "California's Current Credit Rating." Public Finance Division. 2014. <<http://www.treasurer.ca.gov/ratings/current.asp>> accessed February 18, 2015.
- Chatterjee, S., and A. S. Hadi. *Regression Analysis by Example*. Hoboken, NJ: Wiley and Sons, 2006.
- Cummins, J. "An Empirical Analysis of California Budget Gridlock." *State Politics and Policy Quarterly* 12, vol. 1 (2012): 23–42.
- Dometrius, N. C., and D. S. Wright. "Governors, Legislatures, and State Budgets across Time." *Political Research Quarterly* 63, no. 4 (2010): 783–95.
- Edwards, G. C., A. Barrett, and J. Peake. "The Legislative Impact of Divided Government." *American Journal of Political Science* 41, no. 2 (1997): 545–63.
- Fenno, R. *Congressmen in Committees*. Boston: Little Brown, 1973.
- Ferejohn, J. "Incumbent Performance and Electoral Control." *Public Choice* 50 (1986): 5–25.

- Fiorina, M. *Divided Government*, 2d ed. Boston: Allyn and Bacon, 1996.
- Goodman, D. “Determinants of Perceived Gubernatorial Budgetary Influence among State Executive Budget Analysts and Legislative Fiscal Analysts.” *Political Research Quarterly* 60, no. 1 (2007): 43–54.
- Graddy, E. A., and L. Wang. “Multivariate Regression Analysis.” In *Handbook of Research Methods in Public Administration*, ed. K. Yang and G. J. Miller. Boca Raton, FL: Taylor and Sons, 2008.
- Haggerty, T. “Shutdown Showdowns.” *State Legislatures Magazine* 39, no. 10 (2013): 32–34.
- Hy, R. J., and J. R. Wollscheid. “Economic Modeling.” In *Handbook of Research Methods in Public Administration*, ed. K. Yang and G. J. Miller. Boca Raton, FL: Taylor and Sons, 2008.
- Janiskee, B. P., and K. Masugi. *Democracy in California: Politics and Government in the Golden State*. Lanham, MD: Rowman and Littlefield Publishers, 2011.
- Jones, C. O. *Separate But Equal Branches: Congress and the Presidency*, 2d ed. Washington, DC: CQ Press, 2000.
- Klarner, C. E., and A. Karch. “Why Do Governors Issue Vetoes? The Impact of Individual and Institutional Influences.” *Political Research Quarterly* 20, no. 10 (2008): 1–11.
- Klarner, C. E., J. H. Phillips, and M. Muckler. “Overcoming Fiscal Gridlock: Institutions and Budget Bargaining.” *The Journal of Politics* 74, no. 4 (2012): 992–1009.
- Kousser, T., and J. H. Phillips. “Who Blinks First? Legislative Patience and Bargaining with Governors.” *Legislative Studies Quarterly* 34, no. 1 (2009): 55–86.
- Krehbiel, K. *Pivotal Politics: A Theory of U.S. Lawmaking*. Chicago: University of Chicago Press, 1998.
- Kurtz, K. T., G. Moncrief, R. G. Niemi, and L. W. Powell. “Full-Time, Part Time, and Real Time: Explaining State Legislators’ Perceptions of Time on the Job.” *State Politics and Policy Quarterly* 6, no. 3 (2006): 322–38.
- Lucier, R. L. “Gauging the Strength and Meaning of the 1978 Tax Revolt.” In *Managing Fiscal Stress: The Crisis in the Public Sector*, ed. C. H. Levine. Chatham, NJ: Chatham House Publishers, 1980.
- Mayhew, D. *Divided We Govern*. New Haven, CT: Yale University Press, 1991.
- . *Congress: The Electoral Connection*. New Haven, CT: Yale University Press, 1974.
- McCaffrey, J. L. “California: Revenue Scarcity, Incremental Solutions, the Rise of Citizen Initiatives, and the Decline of Trust.” In *Budgeting in the States*, ed. E. J. Clynych and T. P. Lauth. Westport, CT: Praeger, 2006.
- Mills, T. C. *Time Series Techniques for Economists*. New York: Cambridge University Press, 1990.
- Musso, J., E. Graddy, and J. Grizzard. “State Budgetary Processes and Reforms: The California Story.” *Public Budgeting and Finance* 26, no. 4 (2006): 1–21.
- Musso J., and J. Quigley. “Fiscal Federalism and Health Care Provision in California.” In *Government for the Future*, ed. A. E. Anderson. Amsterdam: North Holland Publishing Co., 1997.
- Newman, W. J., and C. L. Scott. “Brown v. Plata: Prison Overcrowding in California.” *Journal of American Academy of Psychiatry Law* 40, no. 4 (2012): 547–52.
- NIST/SEMATECH. *e-Handbook of Statistical Methods*. 2014. <<http://www.itl.nist.gov/div898/handbook>> accessed February 18, 2015.
- Putnam, R. D. *Making Democracy Work*. Princeton, NJ: Princeton University Press, 1993.
- Rogers, J. R. “The Impact of Divided Government on Legislative Production.” *Public Choice* 123 (2005): 217–33.

- Safire, W. *Safire's Political Dictionary*. New York: Oxford University Press, 2008.
- Samuelson, W., and R. Zeckhauser. "Status Quo Bias in Decision Making." *Journal of Risk and Uncertainty* 1, no. 1 (1988): 7–59.
- Saskal, R. "California May Have Seen Its Last Late Budget." *The Bond Buyer: Public Finance News* 76, no. 41 (2010): 9–12.
- US Bureau of Economic Analysis. "Quarterly State Personal Income." 2014. <<http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=3#reqid=70&step=1&isuri=1>> accessed February 18, 2015.
- US Census. "The Statistical Abstract of the United States." Washington: Government Printing Office, 2014. <<http://www.census.gov/compendia/statab/>> accessed February 18, 2015.
- US Library of Congress. "Status of Appropriations Legislation." THOMAS. 2014. <<http://thomas.loc.gov/home/approp/app14.html>> accessed February 24, 2015.
- University of California-Berkeley. "Archive of Social Science Data." Social Science Data Lab. 2014. <<http://ucdata.berkeley.edu/index.php>> accessed February 18, 2015.
- Waugh, E. *Diaries of Evelyn Waugh*. London: Weidenfeld and Nicolson, 1976.
- Wilson, E. D., and B. S. Ebbert. *California's Legislature*. Sacramento, CA: Office of the Assembly Chief Clerk, 2006.
- Yarrow, A. L. *Forgive Us Our Debts*. New Haven, CT: Yale University Press, 2008).

**Appendix A.**  
**Selected Dates for Observation, Based on Polling Data**

<b>Budget Signing Day</b>	<b>Total Days in Budgeting Process for that Year</b>	<b>Selected Dates</b>	<b>Range of Days from Selected Dates to End of Budgeting Process</b>
June 29, 1999	177	March 3 to 14, 1999	115 – 104
June 30, 2000	180	February 1 to 6, 2000	148 – 143
June 30, 2000	180	June 8 to 18, 2000	20 – 13
September 5, 2002	242	January 23 to 27, 2002	219 – 215
September 5, 2002	242	April 19 to 25, 2002	133 – 127
August 2, 2003	209	April 1 to 6, 2003	118 – 113
August 2, 2003	209	July 1 to 13, 2003	18 – 6
July 31, 2004	209	January 5 to 13, 2004	204 – 196
July 31, 2004	209	February 5 to 18, 2004	173 – 160
July 31, 2004	209	May 18 to 24, 2004	70 – 64
July 11, 2005	190	February 8 to 17, 2005	151 – 142
July 11, 2005	190	June 13 to 19, 2005	26 – 20
June 30, 2006	178	February 13 to 27, 2006	134 – 120
June 30, 2006	178	April 3 to 10, 2006	85 – 78
June 30, 2006	178	May 22 to 31, 2006	36 – 27
August 24, 2007	234	March 23 to April 1, 2007	152 – 143
September 23, 2008	261	May 17 to 26, 2008	123 – 114
September 23, 2008	261	July 8 to 14, 2008	71 – 65
September 23, 2008	261	September 5 to 14, 2008	12 – 3
July 28, 2009	205	February 20 to March 1, 2009	154 – 145
July 28, 2009	205	April 16 to 26, 2009	99 – 89