



Massachusetts  
Taxpayers Foundation

**MTF  
LEGISLATIVE  
SESSION  
PREVIEW**

**2025-2026**





# STATE BUDGET PROCESS 101

The state budget process in Massachusetts conforms to a fiscal year (FY) schedule, which runs from July 1st to June 30th. In order for the budget to be in place for the start of a new fiscal year, the budget development process generally takes place from January to July and it begins with the Consensus Revenue Agreement.

## Consensus Revenue Agreement

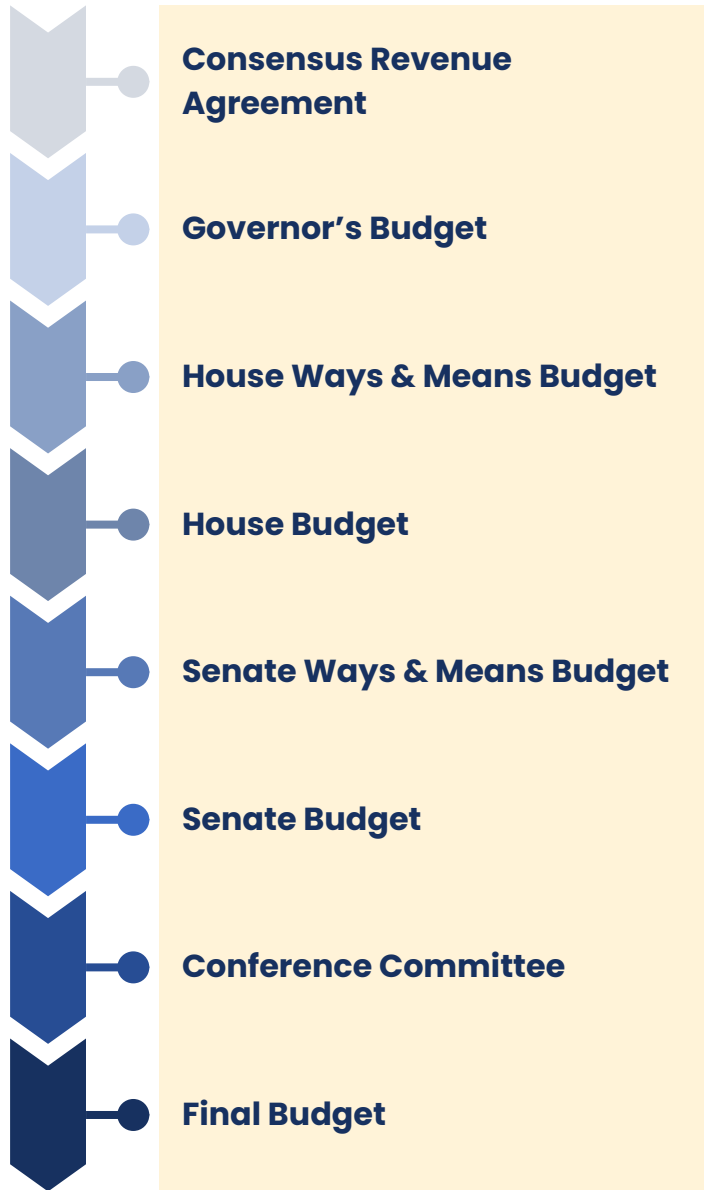
Each year, the state budget development process kicks off with the Consensus Revenue (CR) Agreement. Through the CR agreement, administrative and legislative budget writers determine the amount of tax revenue that will be available to support operating budget spending in the upcoming fiscal year. This estimate is informed by testimony provided by economic experts at a public hearing and it creates a shared revenue foundation upon which the Governor, House, and Senate can build their budget proposals.

This legislative session, the deadline for the CR agreement is January 15th.

## Governor’s Budget

Following the CR agreement, the Governor submits her budget proposal for the upcoming fiscal year. The timing for the Governor’s budget submission is established in

Massachusetts General Law (MGL 29:7H); and in a standard year, the Governor’s budget must be filed within three weeks of the convening of the General Court. In 2025, Governor Healey is expected to file her budget proposal during the third week of January. It’s important to note, that while the Governor’s budget is based on the CR agreement, neither the administration nor the Legislature are prohibited from proposing tax changes that may reduce or increase the amount of revenue collected during the fiscal year.



## House and Senate Budgets

Between February and March, both the House and Senate are actively reviewing the Governor’s budget proposal, meeting with government and non-governmental stakeholders, and developing their own unique spending plans.

The House Ways and Means (HWM) Committee is the first to take up the Governor’s proposal, historically publishing their own budget the Wednesday prior to April vacation (April 10th in 2024). After the HWM release, members typically are given three days to file budget amendments to be considered during the debate process. House debate has historically taken place the week after April vacation. Over the course of several days, more than a thousand amendments are either approved, rejected, or withdrawn from consideration.

The Senate Ways and Means (SWM) Committee releases its version of the budget shortly after the House budget is finalized. Typically, the SWM proposal is published during the second week of May (May 7th in 2024); and like the House, members are given several days to file amendments. Senate debate is traditionally held the week before Memorial Day.

## Conference Committee

Once the House and Senate have their final budgets, the budget development process moves to a Conference Committee. The Conference Committee is comprised of three members from the House and three members from the Senate, and is led by the respective chairs of the Ways and Means Committees. The responsibilities of the Conference Committee entail reconciling all spending and policy differences between the House and Senate bills and delivering a compromise budget to the Governor’s desk by the start of the new fiscal year.

In recent years, Conference Committee deliberations have extended past the July 1st deadline.

Fiscal Year	Budget Enacted	Signed by Governor
FY 2020	July 23rd	July 31st
FY 2021	December 4th	December 11th
FY 2022	July 9th	July 16th
FY 2023	July 18th	July 28th
FY 2024	July 31st	August 9th
FY 2025	July 19th	July 29th

## Enactment of the Final Budget and Vetoes

After the Conference Committee report is enacted by the Legislature, the compromise budget is sent to the Governor’s desk and she is given ten days to sign the budget, send back spending or policy vetoes, and amend any outside policy sections. When an outside policy section is returned with an amendment, the Legislature must decide whether to reject, amend, or adopt the Governor’s proposal in the form of a new bill. The Governor retains the ability to veto amendments once they are returned to her desk. Vetoes may be overridden with a two-thirds majority vote by both the House and Senate.

### Budget Development Process Timeline in FY 2025

