

IN THE SENATE

SENATE BILL NO. 1331

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EDUCATION; AMENDING SECTION 33-907, IDAHO CODE, TO REVISE PROVI-  
2 SIONS REGARDING THE PUBLIC EDUCATION STABILIZATION FUND, TO PROVIDE FOR  
3 AN ANNUAL TRANSFER OF CERTAIN MONEYS FROM THE GENERAL FUND TO THE PUBLIC  
4 EDUCATION STABILIZATION FUND, TO PROVIDE CONDITIONS FOR SUCH TRANSFER  
5 AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 57-814, IDAHO CODE,  
6 TO REVISE AN AMOUNT TO BE TRANSFERRED FROM THE GENERAL FUND TO THE BUD-  
7 GET STABILIZATION FUND; AMENDING SECTION 57-814, IDAHO CODE, AS ENACTED  
8 BY SECTION 9, CHAPTER 341, LAWS OF 2015, TO REVISE AN AMOUNT TO BE TRANS-  
9 FERRED FROM THE GENERAL FUND TO THE BUDGET STABILIZATION FUND AND TO RE-  
10 VISE A TRANSFER DATE; AND PROVIDING AN EFFECTIVE DATE.  
11

12 Be It Enacted by the Legislature of the State of Idaho:

13 SECTION 1. That Section 33-907, Idaho Code, be, and the same is hereby  
14 amended to read as follows:

15 33-907. PUBLIC EDUCATION STABILIZATION FUND. (1) There is hereby  
16 created in the state treasury a fund to be known as the public education sta-  
17 bilization fund, which shall function as a fund detail of the public school  
18 income fund. The fund shall consist of moneys transferred to the fund ac-  
19 cording to subsection (2) of this section, according to the provisions of  
20 sections 33-905 and 33-1018, Idaho Code, and any other moneys made avail-  
21 able through legislative transfers or appropriations. Moneys in the fund  
22 are hereby continuously appropriated for the purposes stated in sections  
23 33-1018 and 33-1018B, Idaho Code, and shall only be expended for the pur-  
24 poses stated in sections 33-1018, 33-1018A and 33-1018B, Idaho Code. Any  
25 accumulated balances in the fund that are in excess of eight and one-third  
26 fifteen percent (~~8.334~~15%) of the current fiscal year's total appropriation  
27 of state funds for public school support shall be transferred to the bond  
28 levy equalization fund. Interest earned from the investment of moneys in the  
29 fund shall be retained in the fund.

30 (2) Subject to the requirements of section 63-3203, Idaho Code, the  
31 state controller shall annually transfer moneys from the general fund to  
32 the public education stabilization fund if the state controller certifies  
33 that the receipts to the general fund for the fiscal year just ending have  
34 exceeded the receipts of the previous fiscal year by more than four percent  
35 (4%), then the state controller shall transfer all general fund collections  
36 in excess of said four percent (4%) to the public education stabilization  
37 fund, up to a maximum of one-half of one percent (.50%) of the actual general  
38 fund collections of the prior fiscal year. The state controller shall make  
39 the transfer upon the financial close of the current fiscal year.

40 SECTION 2. That Section 57-814, Idaho Code, be, and the same is hereby  
41 amended to read as follows:

1           57-814. BUDGET STABILIZATION FUND. (1) There is hereby created in the  
2 state treasury the budget stabilization fund for the purpose of meeting gen-  
3 eral fund revenue shortfalls and to meet expenses incurred as the result of  
4 a major disaster declared by the governor. All moneys in the budget reserve  
5 account at the date of approval of this act shall be transferred to the budget  
6 stabilization fund. Interest earnings from the investment of moneys in this  
7 fund by the state treasurer shall be credited to the permanent building ac-  
8 count subject to the provisions of section 67-1210, Idaho Code.

9           (2) Subject to the requirements of section 63-3203, Idaho Code, the  
10 state controller shall annually transfer moneys from the general fund to  
11 the budget stabilization fund if the state controller certifies that the  
12 receipts to the general fund for the fiscal year just ending have exceeded  
13 the receipts of the previous fiscal year by more than four percent (4%), then  
14 the state controller shall transfer all general fund collections in excess  
15 of said four percent (4%) to the budget stabilization fund, up to a maximum  
16 of one-half of one percent (1.50%) of the actual general fund collections of  
17 the prior fiscal year. The state controller shall make the transfer upon the  
18 financial close of the current fiscal year.

19           (3) The state controller shall transfer fifty percent (50%) of any ex-  
20 cess cash balance from the general fund to the budget stabilization fund upon  
21 the financial close of the current fiscal year subject to the following cri-  
22 teria: When calculating any excess cash balance the state controller shall  
23 first provide for the ending balance as determined by the legislative record  
24 to be carried over into the next fiscal year, plus an amount sufficient to  
25 cover encumbrances as approved by the division of financial management, and  
26 an amount sufficient to cover any reappropriation as authorized by the leg-  
27 islature.

28           (4) If a majority of the membership of each house of the legislature  
29 adopt a concurrent resolution requesting the amount of the transfer speci-  
30 fied in subsection (2) of this section be reduced, the state controller shall  
31 reduce the amount of the transfer.

32           (5) Appropriations of moneys from the budget stabilization fund in  
33 any year shall be limited to fifty percent (50%) after the fund balance has  
34 reached ten percent (10%).

35           SECTION 3. That Section 57-814, Idaho Code, as enacted by Section 9,  
36 Chapter 341, Laws of 2015, be, and the same is hereby amended to read as fol-  
37 lows:

38           57-814. BUDGET STABILIZATION FUND. (1) There is hereby created in the  
39 state treasury the budget stabilization fund for the purpose of meeting gen-  
40 eral fund revenue shortfalls and to meet expenses incurred as the result of  
41 a major disaster declared by the governor. All moneys in the budget reserve  
42 account at the date of approval of this act shall be transferred to the budget  
43 stabilization fund. Interest earnings from the investment of moneys in this  
44 fund by the state treasurer shall be credited to the permanent building ac-  
45 count subject to the provisions of section 67-1210, Idaho Code.

46           (2) Subject to the requirements of section 63-3203, Idaho Code, the  
47 state controller shall annually transfer moneys from the general fund to the  
48 budget stabilization fund subject to the following criteria:

1 (a) If the state controller certifies that the receipts to the general  
2 fund for the fiscal year just ending have exceeded the receipts of the  
3 previous fiscal year by more than four percent (4%), then the state con-  
4 troller shall transfer all general fund collections in excess of said  
5 four percent (4%) increase to the budget stabilization fund, up to a  
6 maximum of one-half of one percent (± .50%) of the actual general fund  
7 collections of the fiscal year just ending. The state controller shall  
8 ~~make the transfers in four (4) equal amounts during September, Decem-~~  
9 ~~ber, March and June of the next~~ upon the financial close of the current  
10 fiscal year.

11 (b) The amount of moneys in the budget stabilization fund shall not ex-  
12 ceed ten percent (10%) of the total general fund receipts for the fiscal  
13 year just ending.

14 (c) The state controller shall transfer moneys in the budget stabiliza-  
15 tion fund in excess of the limit imposed in subsection (2) (b) of this  
16 section to the general fund.

17 (3) If a majority of the membership of each house of the legislature  
18 adopt a concurrent resolution requesting the amount of the transfer speci-  
19 fied in subsection (2) of this section be reduced, the state controller shall  
20 reduce the amount of the transfer.

21 (4) Appropriations of moneys from the budget stabilization fund in  
22 any year shall be limited to fifty percent (50%) after the fund balance has  
23 reached ten percent (10%).

24 SECTION 4. The provisions of Section 3 of this act shall be in full force  
25 and effect on and after May 31, 2017.