

1 SB35  
2 179079-2  
3 By Senators Marsh and Williams (Constitutional Amendment)  
4 RFD: Tourism and Marketing  
5 First Read: 16-AUG-16

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8 SYNOPSIS: This bill proposes an amendment to the  
9 Constitution of Alabama of 1901 to establish the  
10 Alabama Shared Revenue Fund and provide for the  
11 distribution of the proceeds of the shared revenue  
12 sources of the Education Trust Fund and the State  
13 General Fund initially into this fund to be  
14 allocated to the Education Trust Fund and the State  
15 General Fund based upon the percentages established  
16 in this Constitutional Amendment.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

21  
22 Proposing an amendment to the Constitution of  
23 Alabama of 1901 to establish the Alabama Shared Revenue Fund  
24 as a separate fund within the State Treasury, the balance of  
25 which shall be distributed to the Education Trust Fund and the  
26 State General Fund.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. The following amendment to the  
2           Constitution of Alabama of 1901, as amended, is proposed and  
3           shall become valid as a part thereof when approved by a  
4           majority of the qualified electors voting thereon and in  
5           accordance with Sections 284, 285, and 287 of the Constitution  
6           of Alabama of 1901, as amended:

7   PROPOSED AMENDMENT

8           (a) For the purposes of this act, the following  
9           words shall have the following meanings:

10           (1) EDUCATION TRUST FUND. An account created in the  
11           State Treasury by Act 1927-163 and referenced in Section  
12           16-13-16 of the Code of Alabama 1975, into which are deposited  
13           certain revenues paid to the State of Alabama for  
14           appropriation for educational purposes.

15           (2) FISCAL YEAR. The fiscal year of the State of  
16           Alabama that begins on October 1 and ends on September 30.

17           (3) SHARED REVENUE. Any source of revenue to the  
18           Education Trust Fund or the State General Fund of any kind or  
19           type that has been enacted, established, or provided for in  
20           fiscal years prior to the current fiscal year and any new  
21           revenue source for the current and/or future fiscal year. This  
22           definition does not include transfers to the Education Trust  
23           Fund or the State General Fund from agencies provided for in  
24           any appropriations act.

25           (4) STATE GENERAL FUND. An account in the State  
26           Treasury into which are deposited certain revenues paid to the  
27           State of Alabama for appropriation for any lawful purpose

1 including but not limited to state government operating  
2 purposes.

3 (b) (1) There is hereby established in the State  
4 Treasury a separate fund known as the Alabama Shared Revenue  
5 Fund, into which shall be deposited all shared revenues  
6 dedicated by statute or otherwise for the Education Trust Fund  
7 and the State General Fund beginning with the fiscal year  
8 ending September 30, 2018 and each fiscal year thereafter.  
9 This provision shall in no way apply to any direct  
10 distribution of revenues or receipts to any state agency or  
11 instrumentalities thereof or funds which are otherwise  
12 earmarked for specific purposes and are not funds which  
13 constitute a receipt to the State General Fund or Education  
14 Trust Fund. The Alabama Shared Revenue Fund shall be separate  
15 from the Education Trust Fund and the State General Fund.

16 (2) Notwithstanding any other provision of law to  
17 the contrary, the amounts standing in the Alabama Shared  
18 Revenue Fund on the last day of each month beginning with the  
19 fiscal year ending September 30, 2018 and each fiscal year  
20 thereafter shall be distributed to the Education Trust Fund  
21 and the State General Fund based on the following percentages:

22 (i) Education Trust Fund -- seventy-six percent  
23 (76%)

24 (ii) State General Fund -- twenty-four percent (24%)

25 (3) The Department of Revenue shall review and  
26 certify that the monthly distribution to the Education Trust  
27 Fund is sufficient to ensure that the Education Trust Fund

1 receives a total amount of revenue which is at least equal to  
2 the amount of income tax receipts that would have been  
3 deposited into the Education Trust Fund prior to the enactment  
4 of this amendment.

5 (4) The Executive Budget Office shall review and  
6 certify the monthly distributions to the Education Trust Fund  
7 and the State General Fund are sufficient to ensure that the  
8 Education Trust Fund and the State General Fund receive a  
9 total amount of revenue at least equal to the constitutionally  
10 earmarked revenues or receipts that would have been deposited  
11 into the Funds prior to this amendment.

12 (c) The provisions of this amendment shall not  
13 affect the Education Trust Fund Rolling Reserve Cap for fiscal  
14 year 2017 under the Rolling Reserve Act. For the purposes of  
15 determining the fiscal year appropriation cap under that act  
16 in subsequent fiscal years, the amounts, excluding any  
17 non-recurring revenue as defined in Section 29-9-2, Code of  
18 Alabama, 1975, that would have been deposited into the  
19 Education Trust Fund prior to the enactment of this amendment,  
20 distributed to the Education Trust Fund pursuant to this act  
21 shall be interpreted to be the recurring revenues of the  
22 Education Trust Fund.

23 (d) Notwithstanding any prior provision of law to  
24 the contrary, the provisions of this amendment shall only  
25 affect distributions of revenues or receipts directly  
26 deposited to the State General Fund and the Education Trust  
27 Fund and in no way shall affect any direct distribution of

1 similar revenues or receipts to any state agency or  
2 instrumentalities thereof or funds which are otherwise  
3 earmarked for specific purposes and are not funds which  
4 constitute a receipt to the State General Fund or Education  
5 Trust Fund.

6 Section 2. This Constitutional Amendment shall  
7 become effective upon its passage and approval by the Governor  
8 or upon its otherwise becoming an act, and ratification by the  
9 voters of Alabama of the Constitutional Amendment herein and  
10 the Constitutional Amendment as contained in Senate Bill \_\_\_\_  
11 of the First Special Session of 2016 of the Alabama  
12 Legislature. In the event that the Constitutional Amendment  
13 contained in Senate Bill \_\_\_\_ of the First Special Session of  
14 2016 of the Alabama Legislature is not ratified by the voters,  
15 then this Constitutional Amendment contained herein shall  
16 become null and void.

17 Section 3. An election upon the proposed amendment  
18 shall be held in accordance with Sections 284 and 285 of the  
19 Constitution of Alabama of 1901, now appearing as Sections 284  
20 and 285 of the Official Recompilation of the Constitution of  
21 Alabama of 1901, as amended, and the election laws of this  
22 state on November 8, 2016.

23 Section 4. The appropriate election official shall  
24 assign a ballot number for the proposed constitutional  
25 amendment on the election ballot and shall set forth the  
26 following description of the substance or subject matter of  
27 the proposed constitutional amendment:

1                   "Proposing an amendment to the Constitution of  
2 Alabama of 1901, to establish the Alabama Shared Revenue Fund  
3 as a separate fund within the State Treasury, the balance of  
4 which shall be distributed to the Education Trust Fund and the  
5 State General Fund.

6                   "Proposed by Act \_\_\_\_\_."

7                   This description shall be followed by the following  
8 language:

9                   "Yes ( ) No ( )."