

1 SB5
2 171713-1
3 By Senator Livingston
4 RFD: Finance and Taxation General Fund
5 First Read: 08-SEP-15

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8 SYNOPSIS: This bill provides for a transfer from the
9 Education Trust Fund Budget Stabilization Fund to
10 the State General Fund for fiscal year 2016. This
11 bill also requires proceeds from the BP Settlement
12 Agreement to be utilized to repay the transfer made
13 from the Budget Stabilization Fund.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT

18
19 To amend Section 29-9-4, Code of Alabama 1975, to
20 transfer funds from the Education Trust Fund Budget
21 Stabilization Fund to the State General Fund for fiscal year
22 2016; and to require proceeds from the BP Settlement Agreement
23 to be utilized to repay the transfer made from the Budget
24 Stabilization Fund.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 29-9-4, Code of Alabama 1975, is
2 amended to read as follows:

3 "§29-9-4.

4 "(a) There is hereby created in the State Treasury
5 an Education Trust Fund Budget Stabilization Fund and an
6 Education Trust Fund Capital Fund. Any monetary interest which
7 accrues in the Education Trust Fund Budget Stabilization Fund
8 shall be retained in the fund from year to year and shall be
9 subject only to the provisions of this chapter. On or before
10 November 15 of each fiscal year, if the total revenues
11 deposited into the Education Trust Fund during the immediately
12 preceding fiscal year exceed the fiscal year appropriation cap
13 for the immediately preceding fiscal year, the excess shall be
14 transferred to the Education Trust Fund Rainy Day Account
15 until the account has been repaid in full. If the account has
16 been repaid in full, any excess remaining shall be transferred
17 to the Education Trust Fund Budget Stabilization Fund created
18 in this chapter. The transfers to the Education Trust Fund
19 Budget Stabilization Fund shall be made until the Fund reaches
20 an amount which equals 20 percent of the then current year's
21 appropriations from the Education Trust Fund. After the
22 balance in the Education Trust Fund Budget Stabilization Fund
23 reaches a total of 20 percent, any excess remaining shall be
24 distributed to the Education Trust Fund Capital Fund.

25 "(b) Notwithstanding the provisions of subsection
26 (a), the \$50,000,000 of the excess funds distributed to the

1 Education Trust Fund Budget Stabilization Fund from the
2 Education Trust Fund for the fiscal year ending September 30,
3 2015, shall be transferred to the State General Fund not later
4 than November 30, 2015.

5 Section 2. Notwithstanding any other provision of
6 law to the contrary, \$50,000,000 of the proceeds distributed
7 to the State pursuant to the British Petroleum (BP) Settlement
8 Agreement for reimbursement of damages related to the
9 Deepwater Horizon Oil Spill shall be distributed to the
10 Education Trust Fund Budget Stabilization Fund as repayment
11 for the transfer made from the Budget Stabilization Fund for
12 the fiscal year ending September 30, 2016.

13 Section 3. The provisions of this act are severable.
14 If any part of this act is declared invalid or
15 unconstitutional, that declaration shall not affect the part
16 that remains.

17 Section 4. All laws or parts of laws which conflict
18 with this act are repealed.

19 Section 5. This act shall become effective October
20 1, 2015, following its passage and approval by the Governor,
21 or upon its otherwise becoming law.