

HB 760 -- State Budget Procedures

Sponsor: Bearden

This bill requires the Governor to base required revenue estimates on the lesser of the net general revenue estimate or an amount actually spent for the most recent fiscal year exclusive of expenditures for refunds increased or decreased by the percentage change in the general price level and state population. In any year in which the percentage change in productivity increases, the revenue estimate is to be decreased by the percentage change and increased by any state spending approved by voters. The Governor may submit recommendations of any laws necessary to provide revenues sufficient to meet expenditures beyond those estimates.

The Governor's budget estimate of revenues and expenditures for each fund is to include all outcome measures used in the past three fiscal years and the projected outcome measures for the current and next two fiscal years. The budget must include the most recent reports by the State Auditor's office and any evaluations by the Oversight Division of the Committee on Legislative Research.

The bill creates the Excess Revenue Collections Fund, which will receive all revenues collected in excess of the revenues projected by the Governor. The balance in the fund is not to exceed 7.5% of the net general revenues collected in the previous fiscal year. The maximum appropriation from the fund is not to exceed one-half the balance in the fund. Money deposited in the fund is not to be used in the fiscal year in which it was deposited in the fund.

The General Assembly may appropriate moneys from the fund for nonrecurring expenditures by an affirmative vote of each chamber. The Commissioner of the Office of Administration may, after May 15 of any fiscal year, transfer moneys from the fund to any other fund without legislative action, if the transfer is necessary for cash requirements of the state. These transfers are to be deemed cash operating transfers. Cash operating transfers together with interest that would have accrued, prior to June 30 of the fiscal year in which the transfer was made, are to be transferred to the General Revenue Fund.