

1 SB1  
2 171506-2  
3 By Senator Sanford  
4 RFD: Finance and Taxation General Fund  
5 First Read: 08-SEP-15

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8 SYNOPSIS: This bill provides for the establishment of  
9 the Alabama Shared Revenue Fund and provides for  
10 the distribution of the proceeds of the shared  
11 revenue sources of the Education Trust Fund and the  
12 State General Fund initially into this fund to be  
13 allocated to the Education Trust Fund and the State  
14 General Fund based upon the percentages established  
15 in this bill.

16  
17 A BILL  
18 TO BE ENTITLED  
19 AN ACT  
20

21 To establish the Alabama Shared Revenue Fund as a  
22 separate fund within the State Treasury, the balance of which  
23 shall be distributed to the Education Trust Fund and the State  
24 General Fund.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1                   Section 1. For the purposes of this act, the  
2 following words shall have the following meanings:

3                   (1) EDUCATION TRUST FUND. An account created in the  
4 State Treasury by Act 1927-163 and referenced in Section  
5 16-13-16 of the Code of Alabama 1975, into which are deposited  
6 certain revenues paid to the State of Alabama for  
7 appropriation for educational purposes.

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

10                   (3) SHARED REVENUE. Any source of revenue to the  
11 Education Trust Fund or the State General Fund of any kind or  
12 type that has been enacted, established, or provided for in  
13 fiscal years prior to the current fiscal year and any new  
14 revenue source for the current and/or future fiscal year. This  
15 definition does not include transfers to the Education Trust  
16 Fund or the State General Fund from agencies provided for in  
17 any appropriations act.

18                   (4) STATE GENERAL FUND. An account in the State  
19 Treasury into which are deposited certain revenues paid to the  
20 State of Alabama for appropriation for any lawful purpose  
21 including but not limited to state government operating  
22 purposes.

23                   Section 2. (a) There is hereby established in the  
24 State Treasury a separate fund known as the Alabama Shared  
25 Revenue Fund, into which shall be initially deposited all  
26 shared revenues dedicated by statute or otherwise for the

1 Education Trust Fund and the State General Fund. This  
2 provision shall in no way apply to any direct distribution of  
3 revenues or receipts to any state agency or instrumentalities  
4 thereof or funds which are otherwise earmarked for specific  
5 purposes and are not funds which constitute a receipt to the  
6 State General Fund or Education Trust Fund. The Alabama Shared  
7 Revenue Fund shall be separate from the Education Trust Fund  
8 and the State General Fund.

9 (b) Notwithstanding any other provision of law to  
10 the contrary, the amounts standing in the Alabama Shared  
11 Revenue Fund on the last day of each month shall be  
12 distributed to the Education Trust Fund and the State General  
13 Fund based on the following percentages:

14 (i) Education Trust Fund -- seventy-eight percent  
15 (78%)

16 (ii) State General Fund -- twenty-two percent (22%)

17 (c) The Department of Revenue shall review and  
18 certify that the monthly distribution to the Education Trust  
19 Fund is sufficient to ensure that the Education Trust Fund  
20 receives a total amount of revenue which is at least equal to  
21 the amount of income tax receipts that would have been  
22 deposited into the Education Trust Fund prior to the enactment  
23 of this bill.

24 (d) The Executive Budget Office shall review and  
25 certify the monthly distributions to the Education Trust Fund  
26 and the State General Fund are sufficient to ensure that the

1 Education Trust Fund and the State General Fund receive a  
2 total amount of revenue at least equal to the constitutionally  
3 earmarked revenues or receipts that would have been deposited  
4 into the Funds prior to enactment of this bill.

5 Section 3. The provisions of this bill shall not  
6 affect the Education Trust Fund Rolling Reserve Cap for fiscal  
7 year 2016 under the Rolling Reserve Act. For the purposes of  
8 determining the fiscal year appropriation cap under that act  
9 in subsequent fiscal years, the amounts, excluding any  
10 non-recurring revenue as defined in Section 29-9-2, Code of  
11 Alabama, 1975, that would have been deposited into the  
12 Education Trust Fund prior to the enactment of this bill,  
13 distributed to the Education Trust Fund pursuant to this act  
14 shall be interpreted to be the recurring revenues of the  
15 Education Trust Fund.

16 Section 4. Notwithstanding any prior provision of  
17 law to the contrary, the provisions of this bill shall only  
18 affect distributions of revenues or receipts directly to the  
19 State General Fund and the Education Trust Fund and in no way  
20 shall affect any direct distribution of similar revenues or  
21 receipts to any state agency or instrumentalities thereof or  
22 funds which are otherwise earmarked for specific purposes and  
23 are not funds which constitute a receipt to the State General  
24 Fund or Education Trust Fund.

25 Section 5. This act shall become effective October  
26 1, 2015 and shall be fully implemented by January 1, 2016. The

1 Executive Budget Office shall ensure that all necessary  
2 administrative changes for implementation are in effect by  
3 January 1, 2016, and shall also ensure any required  
4 distributions from the effective date of this act until full  
5 implementation are fully credited to the State General Fund  
6 and the Education Trust Fund.