

1 SB16
2 172740-1
3 By Senator Sanford
4 RFD: Finance and Taxation Education
5 First Read: 02-FEB-16
6 PFD: 12/28/2015

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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:

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

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

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

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

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

21 Section 2. (a) There is hereby established in the
22 State Treasury a separate fund known as the Alabama Shared
23 Revenue Fund, into which shall be initially deposited all
24 shared revenues dedicated by statute or otherwise for the
25 Education Trust Fund and the State General Fund. This
26 provision shall in no way apply to any direct distribution of
27 revenues or receipts to any state agency or instrumentalities

1 thereof or funds which are otherwise earmarked for specific
2 purposes and are not funds which constitute a receipt to the
3 State General Fund or Education Trust Fund. The Alabama Shared
4 Revenue Fund shall be separate from the Education Trust Fund
5 and the State General Fund.

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

11 (i) Education Trust Fund -- seventy-eight percent
12 (78%)

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

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

21 (d) The Executive Budget Office shall review and
22 certify the monthly distributions to the Education Trust Fund
23 and the State General Fund are sufficient to ensure that the
24 Education Trust Fund and the State General Fund receive a
25 total amount of revenue at least equal to the constitutionally
26 earmarked revenues or receipts that would have been deposited
27 into the Funds prior to enactment of this bill.

1 Section 3. The provisions of this bill shall not
2 affect the Education Trust Fund Rolling Reserve Cap for fiscal
3 year 2017 under the Rolling Reserve Act. For the purposes of
4 determining the fiscal year appropriation cap under that act
5 in subsequent fiscal years, the amounts, excluding any
6 non-recurring revenue as defined in Section 29-9-2, Code of
7 Alabama, 1975, that would have been deposited into the
8 Education Trust Fund prior to the enactment of this bill,
9 distributed to the Education Trust Fund pursuant to this act
10 shall be interpreted to be the recurring revenues of the
11 Education Trust Fund.

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

21 Section 5. This act shall become effective October
22 1, 2016, following its passage and approval by the Governor,
23 or its otherwise becoming law.