

1 HB293
2 190168-1
3 By Representative Poole
4 RFD: Fiscal Responsibility
5 First Read: 25-JAN-18

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8 SYNOPSIS: In order to further provide for efficient
9 and effective budgeting of the revenues of the
10 state, this bill amends the Department of Finance
11 Division of The Budget Management Act of 1976 so as
12 to provide for biennial budget periods, annual
13 fiscal accounting, and performance review.
14 Provision is made for the State General Fund and
15 the Education Trust Fund biennial budgets to be
16 considered on alternate years, enrolling sufficient
17 financial detail into each budget so as to
18 adequately define each source of revenue and totals
19 for each budgeted program, cost center, and line
20 item in each budget and the entire appropriation
21 bill by each source of revenue, and to further
22 provide for performance review of the state
23 agencies, departments, boards, bureaus, and
24 institutions of the state. This bill becoming law
25 is contingent upon the constitutional amendment
26 proposed by HB ___ providing for biennial budgeting
27 sessions of the legislature and its approval in a

1 statewide referendum as is provided for in law
2 governing such election.

3
4 A BILL
5 TO BE ENTITLED
6 AN ACT

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8 To amend Section 41-4-3.1, Code of Alabama 1975,
9 regarding monthly financial reports by the Department of
10 Finance; Sections 41-4-82 and 41-4-83, Code of Alabama 1975,
11 regarding the Department of Finance Division of the Budget;
12 and Sections 41-19-1, 41-19-3 through 41-19-8, and 41-19-10
13 through 41-19-12, Code of Alabama 1975, regarding The Budget
14 Management Act of 1976, so as to provide for biennial
15 budgeting by the State of Alabama and to further provide for
16 performance review of entities funded by the State of Alabama.
17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Section 41-4-3.1, 41-4-82, 41-4-83,
19 41-19-1, 41-19-3 through 41-19-8, and 41-19-10 through
20 41-19-12, Code of Alabama 1975, are hereby amended to read as
21 follows:

22 "§41-4-3.1.

23 "(a) The Alabama Department of Finance shall produce
24 monthly financial reports. It is the intent of the Legislature
25 that the monthly reports shall increase the transparency of
26 state finances and, when conditions emerge that make budget
27 proration likely, provide advance notice to the affected

1 agencies of government so that they can prepare as much as
2 possible for its impact on their operations.

3 "(b) The monthly reports shall provide information
4 on at least the State General Fund and the Education Trust
5 Fund and may include such other major state funds as the
6 Director of Finance may determine or as may be requested by
7 joint resolution of the legislature. Each monthly report shall
8 be released no later than the final day of the month following
9 the month covered by that report. Each monthly report shall be
10 published in a prominent location on the Department of Finance
11 web site to provide broad public access to the document and
12 shall be provided to the Legislative Services Agency Fiscal
13 Division and the chairs of the House Ways and Means and Senate
14 Finance and Taxation Committees.

15 "(c) The monthly reports shall include at least the
16 following information on the fiscal condition of the fund
17 being reported:

18 "(1) The beginning fund balance at the start of the
19 fiscal year, including reversions and other amounts carried
20 forward from prior years.

21 "(2) The forecast of revenues expected to be
22 received in each month during the fiscal year, including
23 receipts from all sources. The forecast shall include an
24 estimate of each revenue source to the fund, except that
25 revenue sources which represent less than one percent of the
26 fund total may be combined into one category and shall include

1 a comparison of forecast revenues with actual revenues showing
2 the variance thereof, by month and cumulatively year to date.

3 "(3) Any adjustments to the forecast that result in
4 the expectation of material increases or decreases in any
5 revenue source or any one-time revenue sources, together with
6 the amounts of the adjustments including any adjustments to
7 revenue as a result of enacted legislation.

8 "(4) The annual total of resources expected to be
9 available for the year, as of the month covered by the report,
10 considering the beginning balance, official revenue forecast,
11 and all material adjustments to the forecast of expected
12 revenues.

13 "(5) The total expenditures authorized by law to be
14 made from the fund during the fiscal year being reported.
15 These expenditures shall include the amounts in original
16 appropriations acts, any supplemental appropriations enacted,
17 and any other acts that appropriate resources from the fund
18 during the fiscal year, including laws that create continuing
19 appropriations. In addition, the expenditures shall reflect
20 any reductions in the amounts appropriated due to any
21 proration or spending plan changes.

22 "(6) The projected ending balance in the fund as of
23 the last day of the fiscal year.

24 "(7) The year-to-date expenditures from the fund by
25 department, agency, and/or function including a comparison
26 with prior year amounts and with the most recent estimates by
27 the Department of Finance.

1 "(8) A statement of actual and year-to-date revenue
2 collections for each revenue source, including a comparison
3 with prior year amounts and with the most recent estimates by
4 the Department of Finance.

5 "§41-4-82.

6 "~~Within five days after~~ On or before the second
7 Tuesday in March in advance of the convening of each ~~regular~~
8 ~~business~~ fiscal session of the Legislature, the Governor shall
9 transmit to the Legislature a document to be known as a
10 budget, setting forth his financial program for each of the
11 fiscal years which will have begun before the next succeeding
12 ~~regular~~ fiscal session of the Legislature (hereinafter
13 referred to as "budget years," regardless of the number
14 thereof) and having the character and scope hereinafter set
15 forth. The fiscal sessions held in even-numbered calendar
16 years shall be designated for passing biennial budgets for the
17 basic appropriations for the ordinary expenses of the
18 executive, legislative, and judicial agencies of the state,
19 for other functions of government, for debt service, and for
20 capital outlay. The fiscal sessions held in odd-numbered
21 calendar years shall be designated for passing biennial
22 budgets for the support, maintenance, and development of
23 public education, for debt service, and for capital outlay for
24 public education.

25 "§41-4-83.

26 "The budget shall consist of three parts, the nature
27 and contents of which shall be as follows:

1 "(1) Part I shall consist of the Governor's budget
2 message, which shall be in writing and delivered to the
3 Legislature on or before the second Tuesday in March, in which
4 he/she shall set forth:

5 "a. His/Her program for meeting all the expenditure
6 needs of the government for each of the budget years,
7 indicating the fund, general or special, from which such
8 expenditures are to be made and the means through which such
9 expenditures are to be financed.

10 "b. Financial statements giving in summary form:

11 "1. The condition of the Treasury at the end of the
12 last completed fiscal year, the estimated condition of the
13 Treasury at the end of the fiscal year in progress and the
14 estimated condition of the Treasury at the end of each of the
15 budget years if his budget proposals are to be put into
16 effect.

17 "2. Statements showing the bonded indebtedness of
18 the government, debt authorized and unissued, debt redemption
19 and interest requirements and the condition of the sinking
20 funds, if any.

21 "3. A summary of appropriations recommended for each
22 of the budget years for each department, board, bureau,
23 commission, agency, office and institution of the state and
24 for the government as a whole, in comparison with the actual
25 expenditures for each of the completed fiscal years covered by
26 the last preceding budget and the estimated expenditures for
27 the fiscal year in progress.

1 "4. A summary of the revenue, classified according
2 to sources, estimated to be received by the government during
3 each of the budget years, in comparison with the actual
4 revenue received by the government during each of the
5 completed fiscal years covered by the last preceding budget
6 and the estimated income for the fiscal year in progress.

7 "c. Such other financial statements, data and
8 comments as in his/her opinion are necessary or desirable in
9 order to make known in all practicable detail the financial
10 condition and operation of the government and the effect that
11 the budget as proposed by him will have on such condition and
12 operation.

13 "d. If the estimated revenues for the budget years
14 plus the estimated amounts in the Treasury at the close of the
15 fiscal year in progress are less than the aggregate
16 appropriations recommended for the budget years, the Governor
17 shall make recommendation to the Legislature with respect to
18 the manner in which such deficit shall be met, whether by the
19 imposition of new taxes, increased rates in existing taxes or
20 otherwise. If the revenues are more than the aggregate
21 appropriations recommended, he/she shall make such
22 recommendations with respect to the application of such
23 surplus to the reduction of debt, to reductions in taxation or
24 to such other action as in his/her opinion is in the public
25 interest.

26 "(2) Part II shall present in detail for each of the
27 budget years his/her recommendations for appropriations to

1 meet the expenditure needs of the government from each fund,
2 general or special, in comparison with the actual expenditures
3 for each of said purposes during the completed fiscal years
4 covered by the last preceding budget and the estimated
5 expenditures for the fiscal year in progress, classified by
6 departments, boards, bureaus, commissions, agencies, officers
7 and institutions of the state and indicating for each the
8 appropriations recommended for meeting the cost of salaries,
9 travel and per diem expenses, administration, operation and
10 maintenance. Each item of expenditure, actual or estimated,
11 and appropriations recommended shall be supported by detailed
12 statements showing the actual and estimated expenditures and
13 appropriations classified according to a standard scheme of
14 classification to be prescribed by the Department of Finance
15 and the purchase of land, public improvements and other
16 capital outlays in connection therewith.

17 "(3) Part III shall embrace a proposed appropriation
18 bill or bills and a proposed revenue bill or bills for the
19 purpose of proposing in statutory form the recommendations
20 made in Parts I and II. Such appropriation bill or bills shall
21 indicate the funds, general or special, from which such
22 appropriations shall be made, in sufficient detail to
23 enumerate each earmarked tax, local agency funds, and federal
24 funds which are appropriated and which shall be separately
25 totaled at the end of the appropriation bill by source of
26 revenue contained in the detail above. ~~but~~ But such
27 appropriations need not be in greater detail than to indicate

1 the total appropriation to be made for each department, board,
2 bureau, commission, agency, office and institution of the
3 state for each budget year for salaries, travel and per diem
4 expenses, administration, operation and maintenance and the
5 cost of land, public improvements and other capital outlays,
6 itemized by specific projects or classes of projects of the
7 same general character or program.

8 "§41-19-1.

9 "This chapter may be cited as The Budget Management
10 and Performance Review Act of 2018.

11 "§41-19-3.

12 "It is the purpose of this chapter to establish a
13 comprehensive system for budgeting, ~~and~~ financial management, ~~and~~
14 and performance review which furthers the capacity of the
15 Governor and the Legislature to plan and finance the services
16 which they determine the state will provide for citizens. The
17 system shall include procedures for all of the following:

18 "(1) The orderly establishment, continuing review,
19 and periodic revision of the program and financial goals and
20 policies of the state.

21 "(2) The development, coordination, and review of
22 ~~long-range~~ program and financial plans that will implement
23 established state goals and policies.

24 "(3) The preparation, coordination, analysis, and
25 enactment of ~~a budget~~ budgets, organized to focus on state
26 services and their costs, and that ~~authorizes~~ authorize the

1 implementation of policies and plans in the succeeding budget
2 period.

3 "(4) The evaluation of alternatives to existing
4 policies, plans, and procedures that offer potential for more
5 efficient or effective state services.

6 "(5) The regular appraisal and reporting of program
7 performance.

8 "To this end, each Governor shall develop a
9 ~~four-year~~ strategic plan and an executive budget for
10 presentation to the Legislature ~~prior to the first day of the~~
11 ~~second regular~~ on or before the second Tuesday in March in
12 advance of each fiscal legislative session. The format of the
13 executive budget shall be as provided for in Section 41-4-83.
14 The format of the strategic plan is to be determined by the
15 Governor in each term of office. The plan shall encompass the
16 basic appropriations for fiscal years included in the budget
17 period to be addressed in the fiscal session and shall include
18 program, long-range revenue and expenditure plans for the
19 quadrennium, improvements in the state infrastructure
20 requiring capital outlay, and recommended steps to reduce the
21 cost of operation of state government.

22 "§41-19-3.1.

23 "The Legislative Council shall serve in an advisory
24 capacity to the Governor in the development of the ~~long-range~~
25 program, revenue and expenditure plans, and in the performance
26 review of agencies, departments, boards, bureaus, the
27 Legislature, and institutions of the state. The Legislative

1 Council shall be aided by the ~~Legislative Fiscal Office~~ Fiscal
2 Division of the Legislative Services Agency.

3 "§41-19-4.

4 "Beginning in the calendar year 2019, the ~~The~~
5 Governor shall present, on or before the second Tuesday in
6 March in advance of each fiscal session of the Legislature, is
7 ~~responsible for the preparation and administration of the~~
8 state an executive budget for the two years of basic
9 appropriations to be addressed in that fiscal session. The
10 executive budget shall be based on ~~and the evaluation of the~~
11 ~~long range~~ agency/department program plans, ~~and requested~~
12 budgets and the examination of alternatives. ~~to state~~
13 ~~agency/department policies and programs and formulation and~~
14 ~~recommendation for consideration by the Legislature of a~~
15 ~~proposed comprehensive program and financial plan which~~ It
16 shall cover all estimated receipts and expenditures of the
17 state government, including all grants, loans and moneys
18 received from the federal government. Proposed expenditures
19 shall not exceed estimated revenues and resources.

20 "For transition purposes, the Governor shall present
21 a one-year executive budget for fiscal year 2021 for the
22 support, maintenance, and development of public education, for
23 debt service, and for capital outlay for public education of
24 the state on or before the first legislative day of the
25 general session of 2020.

26 "§41-19-5.

27 "The Department of Finance shall:

1 "(1) Assist the Governor in the preparation and
2 explanation of the proposed comprehensive program and
3 financial plan, including the coordination and analysis of
4 state agency/department program goals and objectives, program
5 plans and program budget requests;

6 "(2) Develop procedures to produce the information
7 needed for effective decision making;

8 "(3) Assist agencies/departments in preparing their
9 statement of goals and objectives, program plans, program
10 budget requests and reporting of program performance and
11 review;

12 "(4) Administer its responsibilities under the
13 program execution provisions of this chapter so that the
14 policy decisions and budget determination of the Governor and
15 the Legislature are implemented to the fullest extent possible
16 within the concepts of proper management;

17 "(5) Provide the Legislature with budget information
18 related to the development of recommendations for each fiscal
19 year of each biennial period; and

20 "(6) Assist agencies/departments in the preparation
21 of their proposals under Section 41-19-6. This assistance
22 shall include organization of materials, provision of
23 centrally collected accounting, budgeting and personnel
24 information, standards and guidelines formulation, provision
25 of population and other required data, and any other
26 assistance that will help the state agencies/departments
27 produce the information necessary for efficient

1 agency/department management and effective decision making by
2 the Governor and the Legislature for each fiscal year of the
3 biennial budget period.

4 "§41-19-6.

5 "(a) Each state agency/department, on the date and
6 in the form and content prescribed by the Department of
7 Finance, shall prepare and forward to the Budget Officer the
8 following program and financial information:

9 "(1) The goals and objectives of the
10 agency/department programs, together with proposed
11 supplements, deletions and revisions to such programs for each
12 fiscal year of the biennial budget period;

13 "(2) Its proposed plans to implement the goals and
14 objectives, including estimates of future service needs,
15 planned methods of administration, proposed modification of
16 existing program services and establishment of new program
17 services, and the estimated resources needed to carry out the
18 proposed plan;

19 "(3) The budget requested for each fiscal year of
20 the biennial budget period to carry out its proposed plans ~~in~~
21 ~~the succeeding fiscal year.~~ The budget request information
22 shall include the expenditures during the last fiscal year,
23 those estimated for the current fiscal year, those proposed
24 for each of the two the succeeding fiscal years of the budget
25 period, and any other information requested by the Department
26 of Finance;

1 "(4) A report of the revenues during the last fiscal
2 year, an estimate of the revenues during the current fiscal
3 year and an estimate for each ~~the~~ succeeding fiscal year of
4 the biennial budget period;

5 "(5) A statement of legislation required to
6 implement the proposed programs and financial plans; and

7 "(6) An evaluation of the advantages and
8 disadvantages of specific alternatives to existing or proposed
9 program policies or administrative methods.

10 "(b) The state agency/department proposals prepared
11 under subsection (a) of this section shall describe the
12 relationships of their programs services to those of other
13 state agencies/departments and other branches of state
14 government.

15 "(c) If any state agency/department fails to
16 transmit the program and financial information required under
17 subsection (a) of this section on the specified date, the
18 Department of Finance may prepare such information.

19 "(d) The Department of Finance shall compile and
20 submit to the Governor or the Governor-elect for any year when
21 a new Governor has been elected, not later than November 20, a
22 summary of the program and financial information prepared by
23 state agencies/departments.

24 "§41-19-7.

25 "(a) The Governor shall formulate the program and
26 financial plan to be recommended to the Legislature after
27 considering each state agency's proposed program and financial

1 plan. The Governor's plan shall include his recommended goals
2 and policies, recommended plans to implement the goals and
3 policies, recommended budget for the two succeeding fiscal
4 years of the biennial budget period and recommended revenue
5 measures to balance the budget.

6 "Beginning in the calendar year 2020, the Governor's
7 plan shall focus on the basic appropriations and fiscal years
8 included in the biennial budget period to be addressed in the
9 fiscal session.

10 "(b) The proposed comprehensive program and
11 financial plan shall be presented by the Governor in a message
12 to a joint session of the Legislature on or before the ~~fifth~~
13 first legislative day of each ~~regular~~ fiscal session of the
14 Legislature. This presentation shall explain the budget plan
15 submitted to the Legislature on or before the second Tuesday
16 in March in advance of the legislative fiscal session. The
17 message shall be accompanied by an explanatory report which
18 summarizes recommended goals, plans and appropriations. The
19 explanatory report shall be furnished each member of the
20 Legislature and each state agency/department on or before the
21 ~~fifth~~ second Tuesday in March in advance of the first
22 legislative day of the ~~regular~~ fiscal session of the
23 Legislature. The report shall contain the following
24 information:

25 "(1) The coordinate program goals and objectives
26 that the Governor recommends to guide the decisions on the
27 proposed program plans and budget appropriations;

1 "(2) The program and budget recommendations of the
2 Governor for each fiscal year of the succeeding fiscal year;

3 "(3) A summary of state revenues in the last fiscal
4 year, a revised estimate for the current fiscal year and an
5 estimate for ~~the succeeding~~ fiscal year of the succeeding
6 biennial budget period;

7 "(4) A summary of expenditures during the last
8 fiscal year, those estimated for the current fiscal year and
9 those recommended by the Governor for ~~the~~ each fiscal year of
10 the succeeding biennial budget period ~~fiscal year~~; and

11 "(5) Any additional information which will
12 facilitate understanding of the Governor's proposed program
13 and financial plan by the Legislature and the public.

14 "§41-19-8.

15 "The Legislature shall:

16 "(1) Consider the program and financial plan
17 recommended by the Governor, including proposed goals and
18 policies, tax rate and other revenue changes and long range
19 program plans;

20 "(2) Adopt programs and alternatives to the plan
21 recommended by the Governor which it deems appropriate;

22 "(3) Adopt legislation to authorize the
23 implementation of a comprehensive program and financial plan;
24 and

25 "(4) Provide for performance review of
26 agency/departments in each fiscal year of the biennial budget

1 period and for a post audit of financial transactions, program
2 accomplishments and execution of legislative policy direction.

3 "§41-19-10.

4 "(a) Except as limited by policy decisions of the
5 Governor, appropriations by the Legislature and other
6 provisions of law, the several state agencies/departments
7 shall have full authority for administering their program
8 assignments and appropriations and shall be responsible for
9 their proper management.

10 "(b) Each state agency/department shall prepare an
11 annual plan for the operation of each of its assigned programs
12 for each fiscal year of the biennial budget period. The
13 operations plan shall be prepared in the form and content and
14 be transmitted on the date prescribed to the Department of
15 Finance. The operations plan shall be separate for each fiscal
16 year of the biennium; provided, however, that unexpended funds
17 for the first fiscal year of a biennial budget period may be
18 carried forward and expended in the second fiscal year of the
19 biennial budget period. Funds unexpended at the end of the
20 biennial budget period shall revert to the fund from which
21 appropriated.

22 "(c) The Department of Finance shall:

23 "(1) Review each operations plan to determine that
24 it is consistent with the policy decisions of the Governor and
25 appropriations by the Legislature, that it reflects proper
26 planning and efficient management methods and that
27 appropriations have been made for the planned purpose and will

1 not be exhausted before the end of each fiscal year of the
2 biennial budget period ~~the fiscal year~~;

3 "(2) Approve the operations plan if satisfied that
4 it meets the requirements under subdivision (1) of this
5 subsection; otherwise, the Department of Finance shall require
6 revision of the operations plan in whole or in part; and

7 "(3) Modify or withhold the planned expenditures at
8 any time during the appropriation period if the Department of
9 Finance finds that such expenditures are greater than those
10 necessary to execute the programs at the level authorized by
11 the Governor and the Legislature or that the revenues and
12 resources will be insufficient to meet the authorized
13 expenditure levels.

14 "(d) No state agency/department may increase
15 salaries of its employees, employ additional employees or
16 expend money or incur any obligations except in accordance
17 with law and with a properly approved operations plan by the
18 Director of Finance.

19 "(e) Appropriation transfers or changes as between
20 objects of expenditures within a program may be made only by
21 the Director of Finance. Appropriation transfers or changes
22 between programs within an agency/department may be made only
23 by the Governor and shall be reported to the Legislature
24 quarterly. No transfers shall be made between
25 agencies/departments except pursuant to interagency agreements
26 executed for purposes of accomplishing objectives for which
27 the funds involved were appropriated.

1 "(f) The Department of Finance shall report
2 quarterly to the Governor and the Legislature on the
3 operations of each state agency/department, relating actual
4 accomplishments to those planned and modifying, if necessary,
5 the operations plan of any agency/department for the balance
6 of each fiscal year of the biennial budget period ~~the fiscal~~
7 ~~year~~.

8 "§41-19-11.

9 "(a) Each state agency/department, shall submit a
10 performance report to the Department of Finance on or before
11 November 1 for the preceding fiscal year. These reports shall
12 be in the form prescribed by the Budget Officer and shall
13 include statements concerning:

14 "(1) The work accomplished and the services provided
15 in the preceding fiscal year or other meaningful work period,
16 relating actual accomplishments to those planned under
17 subsection (b) of Section 41-19-10;

18 "(2) The relationship of accomplishments and
19 services to the policy decisions and budget determinations of
20 the Governor and the Legislature;

21 "(3) The costs of accomplishing the work and
22 providing the services, to the extent feasible, citing
23 meaningful measures of program effectiveness and costs; and

24 "(4) The administrative improvements made in the
25 preceding year, potential improvements in future years and
26 suggested changes in legislation or administrative procedures
27 to make further improvements.

1 "(b) The Finance Department shall summarize the
2 performance reports and forward these reports ~~copies~~ to each
3 member of the Legislature annually in a form to be determined
4 by the Finance Department.

5 "(c) In order to accomplish the provisions of this
6 Act, there is hereby created within the Office of the State
7 Finance Director the Division of Planning. The Director of
8 this Division shall be appointed by the Finance Director and
9 shall not be under the state merit system. Additional
10 employees of this Division may be subject to the state merit
11 system.

12 "(d) In order to assure effective administration of
13 the planning and performance management provisions of this
14 Act, the Budget and Planning Divisions of the Finance
15 Department shall be funded by an assessment made against each
16 state agency, department, board, bureau, the Legislature, and
17 each institution of higher education of the state receiving a
18 state appropriation and required to participate in the
19 requirements of this Chapter.

20 "§41-19-12.

21 "(a) Any person in state government, including
22 elected or appointed officials, who prepares false budget or
23 fiscal information to be presented to any legislative
24 committee or who presents false budget or fiscal information
25 to any legislative committee, knowing such budget or fiscal
26 information to be false, shall be guilty of a misdemeanor and,
27 on conviction, shall be imprisoned in the county jail for not

1 more than one year and may also be fined not more than
2 ~~\$1,000.00~~ \$10,000.00.

3 "(b) In the event of a second conviction under this
4 section, such person shall be forever ineligible to hold any
5 position with the State of Alabama."

6 Section 2. Section 41-19-3.2 is added to the Code of
7 Alabama 1975, as amended, to read as follows:

8 "§41-19-3.2

9 Beginning in the calendar year 2019, general
10 sessions of the Legislature shall begin on the fourth Tuesday
11 of January in each calendar year from which bills making
12 appropriations shall be excluded. On the second Tuesday of
13 April of each calendar year, a fiscal session of the
14 Legislature shall be held annually following the general
15 session. The fiscal session shall be limited to 12 legislative
16 days and 35 calendar days. While in fiscal session, the
17 Legislature shall consider only bills affecting state revenues
18 and/or making basic appropriations for the two succeeding
19 fiscal years or amending such revenue and/or appropriations
20 acts as the legislature shall determine. The basic
21 appropriations in these bills shall be itemized and totaled
22 for each fiscal year of the biennial budget period as is
23 provided for in Section 41-4-83.

24 The term "basic appropriations" means such
25 appropriations as the Legislature may deem appropriate for the
26 ordinary expenses of the executive, legislative, and judicial
27 departments of the state, for payment of the public debt, and

1 for education. The legislature shall divide appropriations
2 into two parts, passing basic appropriations for the ordinary
3 expenses of the executive, legislative, and judicial
4 departments of the state in one annual fiscal session, and
5 passing basic appropriations for education in the succeeding
6 annual fiscal session. Appropriations for interest on the
7 public debt shall be divided between the two parts according
8 to the purposes served by the debt.

9 Beginning in the calendar year 2019, the Legislature
10 in the fiscal session held in an even calendar year shall pass
11 bills making basic appropriations for the ordinary expenses of
12 the executive, legislative, and judicial agencies of the
13 state, for other functions of government, for associated debt
14 service, and for capital outlay of the state in the fiscal
15 session for the biennial budgeting period beginning with an
16 odd-numbered fiscal year. This bill shall contain basic
17 appropriations for the two succeeding fiscal years.

18 Beginning in the calendar year 2020, the Legislature
19 in the fiscal session held in an odd calendar year shall pass
20 bills making basic appropriations for support, maintenance,
21 and development of public education, for associated debt
22 service, and for capital outlay for public education in the
23 fiscal session for the biennial budgeting period beginning
24 with an even-numbered fiscal year. These bills shall contain
25 basic appropriations for the two succeeding fiscal years.

26 Basic appropriations for interest on the public debt
27 shall be divided between the two types, general and education,

1 making basic appropriations according to the purposes served
2 by the debt.

3 For transition purposes, the Legislature shall pass
4 a one-year bill making basic appropriations for the support,
5 maintenance, and development of public education, for debt
6 service, and for capital outlay for public education, during
7 the general legislative session of calendar year 2020. This
8 bill shall provide basic appropriations for the fiscal year
9 2021.

10 Section 3. Any provision of law in conflict with the
11 provisions of this Act is hereby repealed.

12 Section 4. If a court of competent jurisdiction
13 shall adjudge to be invalid or unconstitutional any clause,
14 sentence, paragraph, section or part of this Act, such
15 judgment or decree shall not affect, impair, invalidate or
16 nullify the remainder of this Act, but the effect thereof
17 shall be confined to the clause, sentence, paragraph, section,
18 part of this Act so adjudged to be invalid or
19 unconstitutional.

20 Section 5. This act shall become effective upon its
21 passage and approval by the Governor, or its otherwise
22 becoming law, and is contingent upon the constitutional
23 amendment contained in HB _____ becoming law and its approval
24 in a statewide referendum as is provided for in law governing
25 such election.