

1 SB175
2 216041-2
3 By Senator Orr
4 RFD: Finance and Taxation Education
5 First Read: 02-FEB-22

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8 SYNOPSIS: Under existing law, the Education Trust Fund
9 Rolling Reserve Act established the Education Trust
10 Fund Advancement and Technology Fund and provided
11 for the appropriation of amounts in the fund for
12 certain non-recurring expenses of public schools
13 and institutions of higher education.

14 This bill would amend the Education Trust
15 Fund Rolling Reserve Act to allow funds in the
16 Education Trust Fund Advancement and Technology
17 Fund to be used for capital outlay expenses.
18

19 A BILL
20 TO BE ENTITLED
21 AN ACT
22

23 To amend Section 29-9-4, Code of Alabama, 1975,
24 relating to the Education Trust Fund Advancement and
25 Technology Fund, to allow funds to be appropriated for capital
26 outlay expenses.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

3 "§29-9-4.

4 "There is hereby created in the State Treasury an
5 Education Trust Fund Budget Stabilization Fund and an
6 Education Trust Fund Advancement and Technology Fund. Any
7 monetary interest which accrues in the Education Trust Fund
8 Budget Stabilization Fund shall be retained in the fund from
9 year to year and shall be subject only to the provisions of
10 this chapter. On or before November 15 of each fiscal year, if
11 the total revenues deposited into the Education Trust Fund
12 during the immediately preceding fiscal year exceed the fiscal
13 year appropriation cap for the immediately preceding fiscal
14 year, the excess shall be transferred to the Education Trust
15 Fund Rainy Day Account until the account has been repaid in
16 full. If the account has been repaid in full, any excess
17 remaining shall be transferred to the Education Trust Fund
18 Budget Stabilization Fund and the Education Trust Fund
19 Advancement and Technology Fund created in this chapter. The
20 transfers to the Education Trust Fund Budget Stabilization
21 Fund and the Education Trust Fund Advancement and Technology
22 Fund shall be made annually as follows:

23 "(a) Any excess remaining for the fiscal year ending
24 September 30, 2015, up to two percent of the previous year's
25 Education Trust Fund appropriations, shall be transferred to
26 the Education Trust Fund Budget Stabilization Fund.
27 Thereafter, an amount up to one percent of the previous year's

1 Education Trust Fund appropriations shall be transferred to
2 the Education Trust Fund Budget Stabilization Fund annually
3 until the fund reaches seven and one-half percent of the
4 previous year's appropriations from the Education Trust Fund.

5 "(b) Funds in excess of those transferred in
6 subsection (a) shall be transferred to the Education Trust
7 Fund Advancement and Technology Fund each year. Amounts in the
8 Education Trust Fund Advancement and Technology Fund shall be
9 appropriated by and through an independent supplemental
10 appropriation bill for the following nonrecurring expenses:
11 Repairs or deferred maintenance of facilities for public
12 education purposes in the state, capital outlay, for classroom
13 instructional support as provided in Section 16-13-231(b)(2)c.
14 and Section 16-13-231.3, for insuring facilities, for
15 transportation as provided in Section 16-13-233, for school
16 security measures, and for the acquisition or purchase of
17 education technology and equipment, or both. These funds,
18 however, shall not be used as a pledge for the issuance or
19 payment of debt service. No funds shall be appropriated until
20 the balance of the Education Trust Fund Advancement and
21 Technology Fund at the end of the previous fiscal year equals
22 or exceeds \$10 million. Amounts in the Education Trust Fund
23 Advancement and Technology Fund shall be budgeted and allotted
24 in accordance with Sections 41-4-80 through 41-4-96 and
25 Sections 41-19-1 through 41-19-12, but shall not be limited by
26 the fiscal year appropriation cap.

1 "(c) The annual appropriation of these funds shall
2 be divided between the public schools and institutions of
3 higher education in the state in accordance with the
4 percentage split between these two sectors of education as
5 certified by the Legislative Services Agency, Fiscal Division
6 at the end of the preceding fiscal year. Public schools shall
7 be interpreted to include the Alabama School of Math and
8 Science, the Alabama School of Fine Arts, the Alabama School
9 of Cyber Technology and Engineering, the portion of the
10 Alabama Institute for Deaf and Blind providing appropriate
11 elementary/secondary instruction, and may include the
12 Department of Youth Services School District."

13 Section 2. This act shall become effective
14 immediately upon its passage and approval by the Governor, or
15 its otherwise becoming law.