

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

SENATE BILL NO. 403

90TH GENERAL ASSEMBLY
1999

S1709.01T

AN ACT

To repeal sections 33.285 and 33.577, RSMo 1994, relating to certain funds, and to enact in lieu thereof one new section relating to the same subject, with a contingent effective date.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 33.285 and 33.577, RSMo 1994, are repealed and one new section enacted in lieu thereof, to be known as section 33.288, to read as follows:

33.288. On June thirtieth following the adoption of a constitutional amendment to create the budget reserve fund, all moneys in the cash operating reserve fund and the budget stabilization fund shall be transferred to the budget reserve funds and both the cash operating reserve fund and the budget stabilization fund shall be abolished.

[33.285. 1. The "Budget Stabilization Fund" is hereby created in the state treasury for use in meeting the program funding requirements of the state.

2. In any budget submitted to the general assembly, the governor may recommend an appropriation to the budget stabilization fund, which appropriation shall be subject to the provisions of subsection 4 of this section.

3. Moneys in the budget stabilization fund which are not appropriated to the governor to meet program funding requirements of the state in any year shall be invested by the state treasurer in the same manner as other surplus funds are invested. Interest earned on such investments shall be credited to the budget stabilization fund, subject to the provisions of subsection 4 of this section.

4. In the event that any amount to be transferred or credited to the budget

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

stabilization fund in any year pursuant to subsection 2 or 3 of this section would cause the balance in the fund to exceed five percent of the receipts into the general revenue fund for the preceding fiscal year, then to the extent of such excess:

(1) An appropriation otherwise required to be recommended pursuant to subsection 2 of this section shall be reduced; and

(2) Interest earnings shall be credited to the general revenue fund.

5. If at the close of any fiscal year the balance in the budget stabilization fund shall exceed five percent of the receipts into the general revenue fund for the same period, such excess shall be transferred to the general revenue fund on or before the tenth day of the succeeding fiscal year.

6. The general assembly may annually appropriate to the governor amounts from the budget stabilization fund to be used as a reserve to meet budget shortfalls. In any fiscal year in which the governor reduces the expenditures of the state or any of its agencies below their appropriations in accordance with section 27 of article IV of the Missouri Constitution, and only during that period of time in which the general assembly is in regular or extraordinary session, the governor may authorize the commissioner of administration to transfer funds appropriated to the governor from the budget stabilization fund to fulfill the expenditures authorized by any of the existing appropriations which were affected by the governor's decision to reduce expenditures pursuant to section 27 of article IV of the Missouri Constitution. Prior to making any authorization for the transfer of funds appropriated from the budget stabilization fund, the governor shall notify the general assembly of his intent to make such authorization; and, if not disapproved by concurrent resolution within thirty days of the receipt of such notice by the general assembly, such authorization shall be valid. No amount shall be expended from funds appropriated to the governor from the budget stabilization fund unless pursuant to an authorization by the governor as specified in this subsection.

7. Except as provided in subsection 4 of this section, any amount appropriated to the governor from the budget stabilization fund and not expended at the end of any fiscal year shall revert to the fund and balances remaining in the budget stabilization fund at the close of any fiscal year shall not be subject to the provisions of section 33.080.

8. The general assembly shall not appropriate moneys from the budget stabilization fund without authorization from the governor.]

[33.577. There is hereby established within the state treasury a fund to be known as the "Cash Operating Reserve Fund". The following moneys shall be transferred to or credited to the cash operating reserve fund:

(1) An amount equivalent to the nonrecurring general revenues collected by the provisions of section 144.081, RSMo, acceleration in general revenue fund sales tax

receipts, and section 144.087, RSMo, deposit of cash bonds, or thirty-four million dollars, whichever is less. The amount provided by this section will be deposited in the cash operating reserve fund prior to June 30, 1985; and

(2) Such amounts as may be appropriated by the general assembly or otherwise credited to the cash operating reserve fund. The commissioner of administration may, throughout any fiscal year, transfer amounts from the cash operating reserve fund to the general revenue fund without other legislative action if he determines that such transfers are necessary for the cash requirements of the state. The commissioner shall transfer from the general revenue fund to the reserve an amount equal to the amount transferred from the reserve to the general revenue fund, but in any case the transfer must be made prior to May first of the fiscal year. No transfer out of the cash reserve may be made during May or June of any fiscal year. The balance in the reserve on May first of each fiscal year shall not be less than the sum of the opening balance of the reserve for that fiscal year plus accrued interest earned. Funds in the reserve which are not needed for current cash requirements of the state shall be invested by the treasurer in the same manner as other surplus funds are invested.]

Section B. The provisions of this act shall become effective on June thirtieth following the adoption of a constitutional amendment creating the budget reserve fund and not otherwise.