

1 **EDUCATION BUDGET RESERVE ACCOUNT**

2 2000 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Lyle W. Hillyard**

5 AN ACT RELATING TO BUDGETARY PROCEDURES; ESTABLISHING AN EDUCATION
6 BUDGETARY RESERVE ACCOUNT; DEFINING ITS REVENUE SOURCES AND
7 PARAMETERS; AND DEFINING APPROPRIATIONS THAT MAY BE MADE FROM THE
8 ACCOUNT.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 ENACTS:

11 **63-38-2.6**, Utah Code Annotated 1953

12 *Be it enacted by the Legislature of the state of Utah:*

13 Section 1. Section **63-38-2.6** is enacted to read:

14 **63-38-2.6. Establishing an Education Budget Reserve Account -- Providing for**
15 **deposits and expenditures from the account.**

16 (1) There is created within the Uniform School Fund a restricted account to be known as
17 the Education Budget Reserve Account, which is designated to receive the surplus revenue
18 required by this section.

19 (2) (a) Beginning June 30, 2001, at the end of any fiscal year in which the Division of
20 Finance, in conjunction with the completion of the annual audit by the state auditor, determines
21 that there is a Uniform School Fund surplus, 25% of the surplus shall be transferred to the
22 Education Budget Reserve Account, except that the amount in the Education Budget Reserve
23 Account may not exceed 8% of the Uniform School Fund appropriation amount for the fiscal year
24 in which the surplus occurred.

25 (b) The amount to be transferred to the Education Budget Reserve Account shall be
26 determined before any other contingency appropriation using surplus funds.

27 (3) (a) Any appropriation made by the Legislature from the Education Budget Reserve

28 Account may only be used to cover operating deficits or retroactive tax refunds.

29 (b) The Education Budget Reserve Account is available for appropriation to fund operating
30 deficits in public education appropriations.

31 (4) All interest generated from investments of money in the Education Budget Reserve

32 Account shall be deposited into the account.

Legislative Review Note

as of 12-29-99 1:35 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel