

**Effective 5/13/2014**

**63J-1-205 Revenue volatility report.**

- (1) Beginning in 2011 and continuing every three years after 2011, the Legislative Fiscal Analyst and the Governor's Office of Management and Budget shall submit a joint revenue volatility report to the Executive Appropriations Committee prior to the committee's December meeting.
- (2) The Legislative Fiscal Analyst and the Governor's Office of Management and Budget shall ensure that the report:
  - (a) discusses the tax base and the tax revenue volatility of the revenue streams that provide the source of funding for the state budget;
  - (b) considers federal funding included in the state budget and any projected changes in the amount or value of federal funding;
  - (c) identifies the balances in the General Fund Budget Reserve Account and the Education Fund Budget Reserve Account;
  - (d) analyzes the adequacy of the balances in the General Fund Budget Reserve Account and the Education Fund Budget Reserve Account in relation to the volatility of the revenue streams and the risk of a reduction in the amount or value of federal funding;
  - (e) recommends changes to the deposit amounts or transfer limits established in Sections 63J-1-312 and 63J-1-313, if the Legislative Fiscal Analyst and Governor's Office of Management and Budget consider it appropriate to recommend changes; and
  - (f) presents options for a deposit mechanism linked to one or more tax sources on the basis of each tax source's observed volatility, including:
    - (i) an analysis of how the options would have performed historically within the state;
    - (ii) an analysis of how the options will perform based on the most recent revenue forecast; and
    - (iii) recommendations for deposit mechanisms considered likely to meet the budget reserve account targets established in Sections 63J-1-312 and 63J-1-313.

Amended by Chapter 430, 2014 General Session