

SENATE BILL 333
EMERGENCY BILL

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B1

1999 Regular Session
9r1307
CF 9r2104

By: **Senator Hoffman (Chairman, Budget and Taxation Committee)**

Introduced and read first time: February 5, 1999

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 2, 1999

CHAPTER _____

1 AN ACT concerning

2 **Revenue Stabilization Fund - Transfers**

3 FOR the purpose of altering a certain requirement that the amount of a certain
4 transfer from the Revenue Stabilization Fund to the General Fund be reduced
5 by a certain amount under certain circumstances; making this Act an emergency
6 measure; and generally relating to transfers from the Revenue Stabilization
7 Fund.

8 BY repealing and reenacting, with amendments,
9 Article - State Finance and Procurement
10 Section 7-311
11 Annotated Code of Maryland
12 (1995 Replacement Volume and 1998 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - State Finance and Procurement**

16 7-311.

17 (a) In this section "Fund" means the Revenue Stabilization Fund.

18 (b) The Revenue Stabilization Fund is established to retain State revenues for
19 future needs and reduce the need for future tax increases by moderating revenue
20 growth.

1 (c) The Fund is a continuing, nonlapsing fund which is not subject to § 7-302
2 of this subtitle.

3 (d) The Fund consists of:

4 (1) moneys appropriated in the State budget to the Fund; and

5 (2) interest or other income earned from the investment of any portion of
6 this Fund or any other account in the State Reserve Fund.

7 (e) Except as provided in subsection (f) of this section, beginning in Fiscal Year
8 1995 and for each subsequent fiscal year, the Governor shall include in the budget bill
9 an appropriation to the Fund equal to at least the lesser of \$50,000,000 or whatever
10 amount is required for the Fund balance to exceed 5% of the estimated General Fund
11 revenues for that fiscal year.

12 (f) The appropriations required by subsection (e) of this section are not
13 required when the Fund balance exceeds 5% of the estimated General Fund revenues.

14 (g) If authorized by an act of the General Assembly or specifically authorized
15 in the State budget bill as enacted, the Governor may transfer funds from the Fund to
16 General Fund revenues.

17 (h) If the [Governor transfers] BUDGET BILL AS SUBMITTED TO THE
18 GENERAL ASSEMBLY INCLUDES A TRANSFER OF funds from the Fund pursuant to
19 subsection (g) of this section, the BUDGET BILL AS ENACTED BY THE GENERAL
20 ASSEMBLY MAY PROVIDE FOR A REDUCTION OF THE amount of the transfer from the
21 Fund [shall be reduced] by an amount [equivalent] UP to THE AMOUNT OF the
22 reductions made by the General Assembly in the General Fund appropriations.

23 (i) Funds of the Fund may only be transferred from the Fund as provided in
24 this section and are not subject to transfer by budget amendment.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
26 measure, is necessary for the immediate preservation of the public health and safety,
27 has been passed by a ye and nay vote supported by three-fifths of all the members
28 elected to each of the two Houses of the General Assembly, and shall take effect from
29 the date it is enacted.