

9658 Budget Stabilization Account

Proposition 58, as approved by the voters in March of 2004, established the Budget Stabilization Account (BSA), and requires the State Controller to transfer a specified percentage of estimated General Fund revenues from the General Fund to the BSA. The Legislature may transfer, by statute, amounts in excess of the specified percentage to the BSA. In addition, the Governor, by executive order, may suspend the transfer to the BSA. Half of the funds transferred to the BSA will be used to retire Economic Recovery Bonds authorized in Proposition 57 (March 2004), up to \$5 billion in the aggregate.

FUNDING	2012-13*	2013-14*	2014-15*
0001 General Fund	\$-	\$-	\$1,591,412
1011 Budget Stabilization Account	-	-	-1,591,412
TOTALS, EXPENDITURES, ALL FUNDS	\$-	\$-	\$-

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

Section 20, Article XVI of the Constitution of the State of California.

Control Section 35.50, Budget Act.

Control Section 35.60, Budget Act.

DETAILED BUDGET ADJUSTMENTS

	2013-14*			2014-15*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Transfer to the Proposition 58 Budget Stabilization Account for the Accelerated Retirement of Economic Recovery Bonds	\$-	\$-	-	\$1,591,412	-\$1,591,412	-
Totals, Other Workload Budget Adjustments	\$-	\$-	-	\$1,591,412	-\$1,591,412	-
Totals, Workload Budget Adjustments	\$-	\$-	-	\$1,591,412	-\$1,591,412	-
Totals, Budget Adjustments	\$-	\$-	-	\$1,591,412	-\$1,591,412	-

PROGRAM DESCRIPTIONS

10 - Proposition 58, as passed by the voters March 2, 2004, established the Budget Stabilization Account (BSA) and requires the Controller to transfer a specified percentage of General Fund revenues, no later than each September 30, from the General Fund to the BSA as follows:

- For fiscal year 2006-07, one percent of estimated General Fund revenues.
- For fiscal year 2007-08, two percent of estimated General Fund revenues.
- Annually thereafter, three percent of estimated General Fund revenues.

Additionally, the Legislature may, by statute, direct the Controller to transfer into the BSA amounts in excess of the specified percentages. The Constitution also authorizes the Governor to reduce or suspend this transfer for any fiscal year by executive order prior to June 1 of the preceding fiscal year. The transfer of moneys is not required in any fiscal year to the extent that the balance in the BSA would exceed five percent of the General Fund revenues estimate set forth in the budget bill for that fiscal year, as enacted, or eight billion dollars (\$8,000,000,000), whichever is greater. In each fiscal year, 50 percent of the funds transferred to the BSA, up to \$5,000,000,000 in the aggregate, is to be deposited in the Deficit Recovery Bond Retirement Sinking Fund Subaccount and continuously appropriated to the Treasurer to supplement the retirement of Economic Recovery Bonds approved by the voters at the same election. Other funds in the BSA may be transferred back to the General Fund by statute.

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

4 UNCLASSIFIED	2012-13*	2013-14*	2014-15*
0001 General Fund			
APPROPRIATIONS			
Proposition 58, 2004 Article XVI, Section 20 (Transfer to Budget Stabilization Account)	0	0	\$1,591,412
TOTALS, EXPENDITURES	\$-	\$-	\$1,591,412

* Dollars in thousands, except in Salary Range.

9658 Budget Stabilization Account - Continued

4 UNCLASSIFIED	2012-13*	2013-14*	2014-15*
1011 Budget Stabilization Account			
APPROPRIATIONS			
TOTALS, EXPENDITURES	\$-	\$-	\$-
Less Funding Provided by the General Fund	-	-	-1,591,412
NET TOTALS, EXPENDITURES	\$-	\$-	\$-1,591,412
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$-	\$-	\$-

FUND CONDITION STATEMENTS

	2012-13*	2013-14*	2014-15*
1011 Budget Stabilization Account ⁵			
BEGINNING BALANCE	-	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0001 From General Fund Article XVI, Sec. 20 of the California Constitution	-	-	\$1,591,412
TO3090 To Deficit Recovery Bond Retirement Sinking Fund Subaccount, BSA Article XVI, Sec. 20 of the California Constitution	-	-	-1,591,412
Total Revenues, Transfers, and Other Adjustments	-	-	-
Total Resources	-	-	-
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9658 Budget Stabilization Account (Unclassified)	-	-	-1,591,412
Total Expenditures and Expenditure Adjustments	-	-	-1,591,412
FUND BALANCE	-	-	\$1,591,412
Reserve for economic uncertainties	-	-	1,591,412

* Dollars in thousands, except in Salary Range.