

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

17
18

H.370

Introduced by Representatives Hebert of Vernon, Beyor of Highgate, Burditt
of West Rutland, Cupoli of Rutland City, Dickinson of
St. Albans Town, Fiske of Enosburgh, Helm of Fair Haven,
Juskiewicz of Cambridge, Morrissey of Bennington, Murphy of
Fairfax, Parent of St. Albans City, Savage of Swanton, Shaw of
Derby, Smith of New Haven, Tate of Mendon, Viens of
Newport City, and Willhoit of St. Johnsbury

Referred to Committee on

Date:

Subject: Budget; appropriations

Statement of purpose of bill as introduced: This bill proposes to: (1) require
the General Assembly to reserve five percent of the current official State
revenue estimates in a special General Fund account for the purpose of
offsetting any budget deficits in a fiscal year; and (2) transfer any remaining
funds at the end of the fiscal year to the “General Fund Rainy Reserve.”

An act relating to a fiscal year reserve

It is hereby enacted by the General Assembly of the State of Vermont:

1 Sec. 1. 32 V.S.A. § 307 is amended to read:

2 § 307. FORM OF BUDGET

3 (a) The budget shall be arranged and classified so as to show separately the
4 following estimates and recommendations:

5 * * *

6 (b) The budget shall also include in detail definite recommendations of the
7 Governor relative to the amounts which should be appropriated to each of the
8 activities ~~herein~~ referred to in this section. It shall also include definite
9 recommendations of the Governor relative to the financing of the expenditures
10 recommended and the appropriate amounts to be raised from ordinary revenue,
11 direct taxes, bonds, or loans. The financing of the expenditures recommended,
12 as proposed by the Governor, shall not include the funds from the ~~budget~~
13 ~~stabilization trust fund~~ General Fund Budget Stabilization Reserve as
14 established in section 308 of this title, and five percent of the official State
15 revenue estimates for the General Fund, as determined under section 305a of
16 this title, assumed for purposes of proposing the budget. With the budget, the
17 Governor shall submit to the General Assembly such messages, statements, or
18 supplemental data with reference to the same, as the Governor may deem
19 expedient; however, budget documentation shall include to the extent possible
20 the following:

21 * * *

1 Sec. 2. 32 V.S.A. § 701 is amended to read:

2 § 701. GENERAL APPROPRIATION BILL

3 (a) When the budget has been submitted to the General Assembly, it shall
4 be immediately referred to the Committee on Appropriations which shall at
5 once proceed to consider the same and as soon as possible thereafter prepare a
6 bill which shall be known as the “general ~~appropriation~~ appropriations bill”
7 and introduce the same forthwith for action by the General Assembly. Such
8 bill shall provide appropriations for the maintenance and operation of all
9 departments of the State.

10 (b) In each fiscal year, the General Assembly shall only take action on a
11 general appropriations bill introduced under subsection (a) of this section if
12 five percent of the official State revenue estimates for the General Fund, as
13 determined under section 305a of this title, is directed to be held in reserve in a
14 special account within the General Fund, described in section 308d of this title.

15 Sec. 3. 32 V.S.A. § 308d is added to read:

16 § 308d. FISCAL YEAR RESERVE

17 (a) In each fiscal year, five percent of the official State revenue estimates
18 for the General Fund, as determined under section 305a of this title and
19 assumed for purposes of the general appropriations act, shall be held in reserve
20 in a special account within the General Fund.

1 (b) At the close of each fiscal year, prior to using any surpluses in the
2 General Fund Budget Stabilization Reserve established in section 308 of this
3 title, the Commissioner of Finance and Management shall use the amounts
4 held in reserve in subsection (a) of this section for the purpose of offsetting any
5 deficits in the General Fund.

6 (c) After any deficits have been offset under subsection (b) of this section,
7 any remaining funds held in reserve in the special account shall be unreserved
8 and allocated to the General Fund Balance Reserve established in subsection
9 308c(a) of this title.

10 Sec. 4. EFFECTIVE DATE

11 This act shall take effect on July 1, 2015, and shall apply to fiscal year 2017
12 and after.