

Department of Finance		Fund: 1011
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Budget Stabilization Account		
<u>Legal Citation/Authority</u> California Constitution, Article 16, Section 20 Proposition 58, 2004		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/General Fund	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/General Fund Special Accounts	
<u>Purpose</u> The Budget Stabilization Account was created within the General Fund for the transfer of specified amounts from the General Fund into this account. The transfer may be suspended or reduced by the Governor no later than June 1 of the preceding fiscal year. The Legislature may, by statute, transfer additional funds into the account. This fund is capped at \$8 billion or five percent of General Fund revenues as estimated in the Budget Act, whichever is greater. The Controller is required to make the following transfers: <ol style="list-style-type: none">1. No later than September 30, 2006, a sum equal to 1 percent of the estimated amount of General Fund revenues for the 2006-07 fiscal year.2. No later than September 30, 2007, a sum equal to 2 percent of the estimated amount of General Fund revenues for the 2007-08 fiscal year.3. No later than September 30, 2008, and annually thereafter, a sum equal to 3 percent of the estimated amount of General Fund revenues for the current fiscal year. Half of the resources deposited in the Account per the Controller's transfers must be transferred to the Deficit Recovery Bond Retirement Sinking Fund Subaccount (Fund 3090) for the retirement of any outstanding Economic Recovery Bonds. These transfers to the subaccount may not exceed an aggregate amount of \$5 billion for all fiscal years. The remaining funds may be transferred back to the General Fund by statute.		
<u>Administering Agency/Organization Code</u> Budget Stabilization Account/Org 9658		
<u>Major Revenue Source</u> Transfers from the General Fund.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.		
<u>Appropriation Authority</u> The money in this fund may by statute be transferred back to the General Fund.		

State Appropriations Limit

Always Excluded – The major revenue source is a transfer from the General Fund which has already been counted and should not be double counted.

Comments/Historical Information