**Legal Title**  
Deficit Recovery Bond Retirement Sinking Fund Subaccount, Budget Stabilization Account

**Legal Citation/Authority**  
Proposition 58 of 2004, Article XVI, Section 20(f)(1)

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**Purpose**  
Of the money transferred to the Budget Stabilization Account in each fiscal year, 50 percent, up to the aggregate amount of five billion dollars for all fiscal years, will be deposited into the Deficit Recovery Bond Retirement Sinking Fund Subaccount.

Proceeds from the sale of surplus property, as specified in Proposition 60A and Chapter 74, Statutes of 2005, are also deposited into this fund to retire Economic Recovery Bonds. Once retired, the proceeds from the sale of surplus property will be deposited into the General Fund Reserve.

The Deficit Recovery Bond Retirement Sinking Fund Subaccount was created within the Budget Stabilization Account for the purpose of retiring deficit recovery bonds authorized and issued as described in Section 1.3, in addition to any other payments provided for by law for the purpose of retiring those bonds.

**Administering Agency/Organization Code**  
State Treasurer’s Office/Org 0950

**Major Revenue Source**  
- Transfers from the General Fund (as specified in Proposition 58).
- Secondary source of revenue is from the sale of surplus property as specified in Proposition 60A of 2004, as further clarified in Chapter 74, Statutes of 2005.

**Disposition of Fund (upon abolishment)**  
Pursuant to Government Code 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.

**Appropriation Authority**  
The money in this account is continuously appropriated pursuant to Section 20 (f)(1).

**State Appropriations Limit**  
**Always Excluded** – The major revenue source is transferred from another fund which has already been counted or will be counted in an included or always excluded fund and should not be double counted.

**Comments/Historical Information**