

STATEMENT OF PURPOSE

RS19002

This is the year-end appropriation bill that allows for the transfer of funds from the Public Education Stabilization Fund (PESF) and the Budget Stabilization Fund (BSF), to assist the Governor with any additional General Fund revenue shortfalls in fiscal year 2009 that cannot be handled with holdbacks or reversions. If the projected General Fund beginning balance of approximately \$51 million for fiscal year 2010 does not materialize, this bill restores the beginning General Fund cash balance up to \$50 million equally from the PESF and BSF. This bill also transfers \$30 million from the Budget Stabilization Fund to the General Fund to support the fiscal year 2010 General Fund original appropriations.

This bill appropriates \$44,876,900 from the stimulus funds provided for in Title XIV of the federal American Recovery and Reinvestment Act of 2009, for general government and public safety:

- (1) \$5 million to the Dept of Environment Quality for loans/grants for public water systems
- (2) \$10 million to the Dept of Environment Quality for loans/grants for waste mgmt systems
- (3) \$2,999,500 to the Dept of Administration for the Idaho Education Network
- (4) \$2 million to the Dept of Water Resources for the Comprehensive Aquifer Management Plan (CAMP)
- (5) \$17,471,100 to the Dept of Transportation to be distributed to local highway districts
- (6) \$7,406,300 to state agencies for the equivalent of a 2% personnel cost appropriation. Agencies with dedicated and federal funds also receive the 2%.

This bill also makes null and void the provision in all appropriations passed this legislative session that directs a 3% salary reduction including appointed officials. It provides full flexibility to the Governor to manage reductions in personnel funding for the Executive Branch. This bill includes a nonseverability clause in section 17; and an emergency clause in section 18.

FISCAL NOTE

This bill authorizes the transfer of up to 50% of the Public Education Stabilization Fund and the Budget Stabilization Fund at the end of fiscal year 2009 to deal with General Fund revenue shortfalls; authorizes the transfer of up to \$25 million from each of the Public Education Stabilization Fund and the Budget Stabilization Fund to deal with a shortfall in the beginning balance in the General Fund for fiscal year 2010; and transfers \$30 million from the Budget Stabilization to the General Fund for fiscal year 2010. This bill appropriates \$44,876,900 from the federal stimulus funds to various state agencies on a one-time basis; and appropriates \$7,812,500 from dedicated funds and \$3,582,600 from federal funds to multiple agencies in section 16 for one-time personnel costs.

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