

## STATEMENT OF PURPOSE

### RS27689C2 / H0513

This legislation creates a vehicle to generate additional moneys for times of General Fund revenue shortfalls or major disasters, while also creating a stable source of transportation funding for state and local roads. Section 1, in part, creates an Economic Reserve and Investment Fund (ERIF) for the purpose of providing moneys for: 1) meeting general fund revenue shortfalls, 2) meeting expenses incurred as the result of a major disaster declared by the governor, or 3) providing moneys for the highway distribution account. The fund source is a transfer of \$272,000,000 from Budget Stabilization Fund (BSF), and any surplus revenues generated from the General Fund. Moneys in ERIF are invested like the Idaho Millennium Fund. Investment returns generate revenues for the Highway Distribution Account by annually distributing 5% of the fair market value of the fund beginning in FY 2022. Investment returns above the 5% transfer will stay in the fund.

### FISCAL NOTE

This bill has a fiscal impact transferring about 2/3 of the balance currently in the Budget Stabilization Fund to the new Economic Reserve and Investment Fund. In FY 2022 and each year thereafter, if the balance of the fund has grown, it will transfer 5% of Fair Market Value to the Highway Distribution Account.

#### Contact:

Representative Jason A. Monks  
(208) 332-1000

**DISCLAIMER:** This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).