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SENATE BILL NO. 960

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance
on January 28, 2003)

(Patron Prior to Substitute—Senator Chichester)

A BILL to amend and reenact § 2.2-1829 of the Code of Virginia, relating to the Revenue Stabilization Fund.

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-1829 of the Code of Virginia is amended and reenacted as follows:

§ 2.2-1829. Reports of Auditor of Public Accounts; Fund deposits and withdrawals.

A. On or before December 1 of each year, the Auditor of Public Accounts shall report to the General Assembly the certified tax revenues collected in the most recently ended fiscal year. The Auditor shall, at the same time, (i) provide his report on the ten percent limitation and the amount that could be paid into the Fund and (ii) the amount necessary for deposit for the next fiscal year into the Fund in order to satisfy the mandatory deposit requirement of Article X, Section 8 of the Constitution of Virginia. The Governor shall include any such amount in his budget bill submitted to the General Assembly pursuant to § 2.2-1509. A schedule of deposits may be provided for in the Appropriation Act.

B. *If the report of the Auditor of Public Accounts, pursuant to subsection A, indicates that the annual percentage increase in the certified tax revenues collected in the most recently ended fiscal year is 8 percent or greater than the certified tax revenues collected for the immediately preceding fiscal year and that such annual percentage increase in the certified tax revenues for the most recently ended fiscal year is also equal to or greater than 1.5 times the average annual percentage increase in the certified tax revenues collected in the 6 fiscal years immediately preceding the most recently ended fiscal year, the Governor shall include in his budget recommendations, submitted to the General Assembly in the subsequent session pursuant to § 2.2-1509, an additional amount for deposit to the Fund in excess of any mandatory deposit to the Fund required by Article X, Section 8 of the Constitution of Virginia. Such additional amount shall be equal to at least 25 percent of the product of the certified tax revenues collected in the most recently ended fiscal year multiplied by the difference between the annual percentage increase in the certified tax revenues collected for the most recently ended fiscal year and the average annual percentage increase in the certified tax revenues collected in the 6 fiscal years immediately preceding the most recently ended fiscal year. Any such additional deposits to the Fund shall be included in the Governor's budget recommendations submitted to the General Assembly in the subsequent session pursuant to § 2.2-1509 only if the estimate of general fund revenues prepared in accordance with § 2.2-1503 for the fiscal year in which the deposit is to be made is at least 5 percent greater than the actual general fund revenues for the immediately preceding fiscal year.*

C. The State Comptroller shall draw such warrants as appropriated and the State Treasurer shall deposit such warrants into the Fund. No amounts shall be withdrawn from the Fund except pursuant to appropriations made by the General Assembly in accordance with § 2.2-1830. However, if any amounts accrue, such as through interest or dividends, to the credit of the Fund in excess of the ~~ten~~ 10 percent limitation calculated by the Auditor of Public Accounts, any excess shall be paid into the general fund pursuant to Article X, Section 8 of the Constitution of Virginia.

~~C.~~ D. For the purposes of the Comptroller's preliminary and final annual reports as required by § 2.2-813, all balances remaining in the Fund on June 30 of each fiscal year shall be considered to be a portion of the fund balance of the general fund of the state treasury.