

ANALYSIS OF THE BUDGET STABILIZATION FUND FOR THE 2003-05 AND 2005-07 BIENNIUMS

	2003-05 Biennium	2005-07 Biennium
Beginning balance	\$0	\$0
Add estimated revenues		
Transfer from general fund		\$64,467,187
Investment income		2,689,026
Total estimated revenues	0	67,156,213
Total available	\$0	\$67,156,213
Less estimated expenditures		
None		
Total estimated expenditures	0	0
Estimated ending balance	\$0	\$67,156,213

NOTE: The budget stabilization fund was established by the 1987 Legislative Assembly in House Bill No. 1596. Major provisions include:

- Section 54-27.2-01 establishes the budget stabilization fund and provides that any interest earned on the balance of the budget stabilization fund must be retained in the fund. The section also provides that any money in the fund in excess of 5 percent of the general fund appropriations provided by the most recently adjourned Legislative Assembly must be deposited in the state general fund.
- Section 54-27.2-02 provides that any amount in the state general fund at the end of a biennium in excess of \$65 million must be transferred to the budget stabilization fund.
- Section 54-27.2-03 provides that the Governor may order a transfer from the budget stabilization fund to the general fund if the director of the Office of Management and Budget projects that general fund revenues for the biennium will be at least 2.5 percent less than estimated by the most recently adjourned Legislative Assembly. The amount transferred is limited to the difference between an amount 2.5 percent less than the original legislative general fund revenue forecast and the revised forecast prepared by the Office of Management and Budget. Any transfer made must be reported to the Budget Section.