

House Concurrent Resolution No. 5032

By Committee on Appropriations

3-17

1 A PROPOSITION to amend article 11 of the constitution of the state of
2 Kansas by adding a new section thereto, concerning a budget
3 stabilization fund and a disaster relief fund in the state treasury.
4

5 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
6 *members elected (or appointed) and qualified to the House of*
7 *Representatives and two-thirds of the members elected (or appointed)*
8 *and qualified to the Senate concurring therein:*

9 Section 1. The following proposition to amend the constitution of
10 the state of Kansas shall be submitted to the qualified electors of the state
11 for their approval or rejection: Article 11 of the constitution of the state of
12 Kansas is hereby amended by adding a new section to read as follows:

13 **§ 14. Budget Stabilization Fund and Disaster Relief**
14 **Fund.** (a) On July 1, 2015, a budget stabilization fund and a
15 disaster relief fund shall be established and maintained in the
16 state treasury.

17 (b) For any fiscal year that commences on or after July 1,
18 2015, if the total state revenue exceeds the total fiscal year
19 spending for that fiscal year, then, on July 1 of the ensuing
20 fiscal year, 50% of such excess amount shall be transferred as
21 follows: 70% to the budget stabilization fund; and 30% to the
22 disaster relief fund. Any amount required to be maintained in
23 the ending balance of the state general fund as provided by law
24 shall be excluded from the amount available for transfer to the
25 budget stabilization fund or disaster relief fund by this section.

26 (c) Amounts in the budget stabilization fund and the
27 disaster relief fund may be invested as provided by law and the
28 earnings thereon shall be retained in the budget stabilization
29 fund and the disaster relief fund.

30 (d) Pursuant to this section, no additional moneys shall be
31 transferred into the budget stabilization fund if the balance in
32 the fund is equal to or more than 7% of the total fiscal year
33 spending for the preceding fiscal year. Pursuant to this section,
34 no additional moneys shall be transferred into the disaster relief
35 fund if the balance in the fund is equal to or more than 3% of
36 the total fiscal year spending for the preceding fiscal year. The

1 legislature may provide, by law, for additional amounts of total
2 state revenue to be deposited in the budget stabilization fund
3 and the disaster relief fund.

4 (e) (1) (A) For any fiscal year that commences on or after
5 July 1, 2015, if the amount of the total state revenue is less than
6 the amount of the total state revenue for the prior fiscal year, the
7 legislature may provide by enactment of a law for the transfer
8 of moneys from the budget stabilization fund to the state
9 general fund in an amount equal to the lesser of:

10 (i) Not more than the difference between the amount of the
11 total state revenue for the prior fiscal year and the amount of the
12 estimated total state revenue for the current fiscal year; or

13 (ii) 50% of the balance in the budget stabilization fund.

14 (B) Under no other circumstances shall moneys be
15 transferred or expended from the budget stabilization fund.

16 (2) (A) Moneys in the disaster relief fund may be
17 expended only for an emergency declared by the governor to
18 exist within the state.

19 (B) Under no other circumstances shall moneys be
20 transferred or expended from the disaster relief fund.

21 (f) As used in this section:

22 (1) "Emergency" means an extraordinary event or
23 occurrence that could not have been reasonably foreseen or
24 prevented and that requires immediate expenditures to preserve
25 the health, safety and general welfare of the people within the
26 state and "emergency" does not mean a revenue shortfall or
27 budget shortfall.

28 (2) "Fiscal year spending" means all expenditures and
29 reserve increases except, as to both, (A) expenditures for
30 refunds of any kind, (B) expenditures of moneys received from
31 the federal government, moneys received as grants, gifts or
32 donations which are to be expended for purposes specified by
33 the donor, moneys that are collections for another government,
34 moneys received for pension contributions by employees and
35 pension fund earnings, or (C) budget stabilization fund
36 transfers, disaster relief fund transfers, or expenditures in
37 accordance with this section.

38 (3) "Total state revenue" means all moneys received by the
39 state from any source except any of the following:

40 (A) Moneys received as grants, gifts or donations which
41 are to be expended for purposes specified by the donor;

42 (B) moneys received from the federal government; and

43 (C) moneys which are income earned on moneys in

1 permanent endowment funds, trust funds, deferred
2 compensation funds or pension funds that are credited to such
3 funds.

4 (g) The legislature may enact laws to carry out the
5 purposes of this section.

6 Sec. 2. The following statement shall be printed on the ballot with
7 the amendment as a whole:

8 "*Explanatory statement.* The purpose of this amendment is to
9 establish a budget stabilization fund and a disaster relief
10 fund in the state treasury.

11 "A vote for this proposition will:

12 (1) Establish a budget stabilization fund and a disaster relief
13 fund in the state treasury. Each year, if the total state
14 revenue exceeds the total spending for that fiscal year,
15 then, 50% of such excess amount shall be transferred as
16 follows: 70% to the budget stabilization fund; and 30% to
17 the disaster relief fund. Additional amounts could be
18 deposited in these funds by act of the legislature.

19 (2) Provide that amounts could be withdrawn from the
20 budget stabilization fund if the amount of the estimated
21 total state revenue for the current fiscal year is less than
22 the amount of the total state revenue for the prior fiscal
23 year, the legislature may transfer moneys from the budget
24 stabilization fund to the state general fund in an amount
25 equal to the lesser of: (A) Not more than the difference
26 between the amount of the total state revenue for the prior
27 fiscal year and the amount of the estimated total state
28 revenue for the current fiscal year; or (B) 50% of the
29 balance in the budget stabilization fund.

30 (3) Provide that amounts could be withdrawn from the
31 disaster relief fund only for an emergency declared by the
32 governor to exist within the state.

33 "A vote against this amendment would make no changes in
34 current law concerning the state's finance."

35 Sec. 3. This resolution, if approved by two-thirds of the members
36 elected (or appointed) and qualified to the House of Representatives, and
37 two-thirds of the members elected (or appointed) and qualified to the
38 Senate shall be entered on the journals, together with the yeas and nays.
39 The secretary of state shall cause this resolution to be published as
40 provided by law and shall cause the proposed amendment to be submitted
41 to the electors of the state at the general election in the year 2014 unless a
42 special election is called at a sooner date by concurrent resolution of the
43 legislature, in which case it shall be submitted to the electors of the

- 1 state at the special election.