



2015-2016 General Assembly

HOUSE BILL 97: 2015 Appropriations Act, Sec. 6.23: Require Transfer of Savings from the Refinancing of Certain State Debt to be Transferred to the Savings Reserve

Committee:
Introduced by:
Analysis of: Sec. 6.23 of S.L. 2015-241

Date:
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SUMMARY: Sec. 6.23 of S.L. 2015-241 amends the statutes governing State Debt and the State Capital Facilities Finance Act to change the way that savings generated from the refinancing of debt is to be handled. Specifically, where savings are realized from refinancing such debt, the following requirements apply:

- *The General Assembly must not reduce the funds appropriated for servicing the refinanced debt during the fiscal biennium in which the refinancing occurs.*
- *The State Controller must, in conjunction with the State Treasurer, periodically transfer the savings resulting from the refinancing of the debt to the Savings Reserve Account during the fiscal biennium in which the refinancing occurs.*
- *The Director of the Budget must, in the fiscal biennium immediately following the refinancing, adjust the amount of debt service funded in the base budget so that it aligns with actual debt service needs.*

This section becomes effective July 1, 2017, and applies to indebtedness issued, incurred, or refinanced on or after that date.

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Director



Legislative Drafting
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