



## Legislative Fiscal Bureau

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TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Senate Bill 446: Interfund Transfers

Senate Bill 446 was introduced on November 22, 2005, and referred to the Joint Committee on Finance.

### **BACKGROUND**

Under current law, whenever monies are transferred between state funds by law, if no date is specified in the law, the Secretary of Administration is authorized to determine a date on which the transfer will be made, or provide for partial transfers on different dates, and transfer the monies on those dates.

A provision of 2005 Act 15, which was enacted on June 22, 2005, directed the transfer of \$75 million from the general fund to the medical assistance trust fund. After initially transferring this \$75 million in 2004-05, the administration modified the transfer to record \$20 million in 2004-05 and \$55 million in 2005-06.

### **SUMMARY OF BILL**

SB 446 would require that, if no date is specified in the law, any date for a transfer between state funds determined by the Secretary of Administration would have to be during the fiscal year in which the law providing for the transfer takes effect.

## **FISCAL EFFECT**

There would be no direct fiscal effect under the bill. However, the bill could affect future transfers made by law between state funds where no date for the transfer is specified. Under the bill, the transfer would have to be made in the same fiscal year as the effective date of the law providing for the transfer.

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