

State Reserve Fund

Program Description

The State Reserve Fund is comprised of the following: (1) Revenue Stabilization Account, (2) Dedicated Purpose Account, (3) Economic Development Opportunities Program Account, and (4) Catastrophic Event Account. The objectives of the Fund are to designate, provide for and appropriate certain reserve funds for future use when the magnitude and timing of fiscal requirements are uncertain, and retain in escrow State revenues for future requirements to reduce the need for future tax increases.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimated	FY 2022 Estimated
Balance as of June 30 (in million of \$)				
Revenue Stabilization Account	876.5	1,177.2	883.5	990.4
Dedicated Purpose Account	-	43.9	-	-
Economic Development Opportunities Account	11.7	7.2	1.7	-
Catastrophic Event Account	2.5	3.8	3.8	4.0
Total	<u>890.7</u>	<u>1,232.1</u>	<u>889.0</u>	<u>994.4</u>

Summary of State Reserve Fund

	2020 Actual	2021 Appropriation	2022 Allowance
Operating Expenses	405,621,213	114,000,000	622,919,432
Net General Fund Expenditure	<u>405,621,213</u>	<u>114,000,000</u>	<u>622,919,432</u>
Total Expenditure	<u><u>405,621,213</u></u>	<u><u>114,000,000</u></u>	<u><u>622,919,432</u></u>

State Reserve Fund

Y01A01.01 Revenue Stabilization Account - Revenue Stabilization Account

Program Description

The Revenue Stabilization Account, also known as the Rainy Day Fund, was established to retain revenue for future needs and reduce the need for future tax increases by moderating revenue growth. Appropriations are required when the unappropriated general fund surplus of the second preceding fiscal year exceeds \$10 million. Appropriations are also required in years when the account balance is less than 7.5% of general fund revenue as stated in the annual report of the Board of Revenue Estimates submitted to the Governor. If the account balance is at least 3% but less than 7.5% of general fund revenue, an appropriation is required of \$50 million or whatever lesser amount is necessary to bring the balance to 7.5% of estimated general fund revenue. If the account balance is less than 3% of general fund revenue, the required appropriation is \$100 million. To transfer funds from the account requires specific authorization by an Act of the General Assembly or specific authorization in the budget bill if the transfer results in a balance that is a least 5% of projected general fund revenue. To transfer an amount that would reduce the account balance below 5% requires the transfer to be authorized in an Act of the General Assembly other than the budget bill.

Appropriation Statement

	2020 Actual	2021 Appropriation	2022 Allowance
12 Grants, Subsidies, and Contributions	<u>285,836,013</u>	<u>7,000,000</u>	<u>525,788,482</u>
Total Operating Expenses	<u>285,836,013</u>	<u>7,000,000</u>	<u>525,788,482</u>
Total Expenditure	<u><u>285,836,013</u></u>	<u><u>7,000,000</u></u>	<u><u>525,788,482</u></u>
Net General Fund Expenditure	<u>285,836,013</u>	<u>7,000,000</u>	<u>525,788,482</u>
Total Expenditure	<u><u>285,836,013</u></u>	<u><u>7,000,000</u></u>	<u><u>525,788,482</u></u>

State Reserve Fund

Y01A02.01 Dedicated Purpose Account - Dedicated Purpose Account

Program Description

The Dedicated Purpose Account was established to (1) retain appropriations for major, multi-year expenditures where the magnitude and timing of cash needs are uncertain and (2) meet expenditure requirements. Certain restrictions may apply on the use of the funds and the manner in which funds may be transferred from the Account.

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Dedicated Purpose Account			
Program Open Space	43,860,950	-	43,860,950
Pension Sweeper	-	-	25,000,000
OPEB Sweeper	-	-	25,000,000
Cybersecurity Assessments	-	10,000,000	-
Washington Metropolitan Area Transit Authority	75,000,000	97,000,000	-
Total	<u>118,860,950</u>	<u>107,000,000</u>	<u>93,860,950</u>
Restricted/Contingent Reductions			
Program Open Space	-	-	(43,860,950)
Pension Sweeper	-	-	(25,000,000)
OPEB Sweeper	-	-	(25,000,000)
Net Estimated Appropriation	<u>118,860,950</u>	<u>107,000,000</u>	<u>-</u>
Transfer to General Fund		(43,860,950)	

Appropriation Statement

	2020 Actual	2021 Appropriation	2022 Allowance
12 Grants, Subsidies, and Contributions	118,860,950	107,000,000	93,860,950
Total Operating Expenses	<u>118,860,950</u>	<u>107,000,000</u>	<u>93,860,950</u>
Total Expenditure	<u>118,860,950</u>	<u>107,000,000</u>	<u>93,860,950</u>
Net General Fund Expenditure	<u>118,860,950</u>	<u>107,000,000</u>	<u>93,860,950</u>
Total Expenditure	<u>118,860,950</u>	<u>107,000,000</u>	<u>93,860,950</u>

State Reserve Fund

Y01A03.01 Economic Development Opportunities Program Account - Economic Development Opportunities Program Account

Program Description

The Economic Development Opportunities Program Account, also known as the Sunny Day Fund, was established to provide conditional, multi-year loans and investments to take advantage of extraordinary economic development opportunities, inclusive of situations that create or retain substantial numbers of jobs or where considerable private investment will be leveraged.

Appropriation Statement	2020 Actual	2021 Appropriation	2022 Allowance
12 Grants, Subsidies, and Contributions	460,000	0	3,270,000
Total Operating Expenses	<u>460,000</u>	<u>0</u>	<u>3,270,000</u>
Total Expenditure	<u><u>460,000</u></u>	<u><u>0</u></u>	<u><u>3,270,000</u></u>
Net General Fund Expenditure	<u>460,000</u>	<u>0</u>	<u>3,270,000</u>
Total Expenditure	<u><u>460,000</u></u>	<u><u>0</u></u>	<u><u>3,270,000</u></u>

State Reserve Fund

Y01A04.01 Catastrophic Event Account - Catastrophic Event Account

Program Description

The Catastrophic Event Fund was established to enable the State to respond quickly to a natural disaster or catastrophe not contemplated within existing State appropriations.

Appropriation Statement	2020 Actual	2021 Appropriation	2022 Allowance
12 Grants, Subsidies, and Contributions	464,250	0	0
Total Operating Expenses	464,250	0	0
Total Expenditure	<u>464,250</u>	<u>0</u>	<u>0</u>
Net General Fund Expenditure	464,250	0	0
Total Expenditure	<u>464,250</u>	<u>0</u>	<u>0</u>