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**GOVERNMENT CODE - GOV**

**TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980]** ( Title 2 enacted by Stats. 1943, Ch. 134. )

**DIVISION 4. FISCAL AFFAIRS [16100 - 17700]** ( Division 4 added by Stats. 1945, Ch. 119. )

**PART 2. STATE FUNDS [16300 - 16649.95]** ( Part 2 added by Stats. 1945, Ch. 120. )

**CHAPTER 2. Special Funds [16346 - 16429.10]** ( Chapter 2 added by Stats. 1945, Ch. 120. )

**ARTICLE 7.6.5. Budget Deficit Savings Account [16418.8- 16418.8.]** ( Article 7.6.5 added by Stats. 2018, Ch. 42, Sec. 2. )

**16418.8.** (a) The Budget Deficit Savings Account is hereby established in the State Treasury to serve as a supplementary savings account to mitigate the effects of actual or future projected budget deficits in the General Fund or other state funds.

(b) (1) Deposits to the Budget Stabilization Account for the 2018–19 fiscal year, above the amounts required by Section 20 of Article XVI of the California Constitution, as defined and appropriated in the 2018 Budget Act, shall be transferred from the General Fund to the Budget Deficit Savings Account. Based on the updated projection as calculated by the Department of Finance during the 2019–20 May Revision, upon order of the Director of Finance, no earlier than May 31, 2019, the Controller shall transfer the updated amount from the Budget Deficit Savings Account to the Budget Stabilization Account.

(2) Upon order of the Director of Finance, the Controller shall transfer 50 percent of the remaining amounts deposited in the Budget Deficit Savings Account that are not transferred to the Budget Stabilization Account pursuant to subdivision (b) to the Safety Net Reserve Fund, created by Section 11011 of the Welfare and Institutions Code. The remaining 50 percent of the balance shall remain in the Budget Deficit Savings Account.

(3) In any fiscal year, the Legislature may transfer funds into the Budget Deficit Savings Account or authorize the transfer of some or all of the balance of the Budget Deficit Savings Account to the General Fund or any other state fund.

(c) Notwithstanding any other law, the Controller may use the funds in the Budget Deficit Savings Account for cashflow loans to the General Fund as provided in Sections 16310 and 16381.

(Amended by Stats. 2019, Ch. 364, Sec. 4. (SB 112) Effective September 27, 2019.)