



Representative Ivy Spohnholz

House Ways and Means Committee Chair

House Labor & Commerce Committee Co-Chair

Serving House District 16: College Gate, Russian Jack, Nunaka Valley, & Reflection Lake

Sectional Analysis

House Bill 141

Section 1: This section updates the existing statutory appropriation limit found in AS 37.05.540(b) to: update appropriations subject to this limit; clarify which fiscal year appropriations are attributed to; and provide a three-calendar year average adjuster to the appropriation limit.

This bill includes appropriations for school bond debt and state-declared disasters in the list of items that fall outside of the appropriation limit. This section also changes the calculation of the appropriation limit to include all appropriations made for a fiscal year, rather than in a fiscal year. This change ensures supplemental appropriations are captured as spending in the fiscal year for which they are appropriated, regardless of the timing of the appropriation. Finally, this section allows the limit to be adjusted by the three-year average change in population or inflation to smooth any drastic changes that may occur in a single year. Using a calendar year rather than a fiscal year aligns the appropriation limit with the current data availability on population and inflation figures.

Section 2: This section adds the calculation and reporting of the appropriation limit to the responsibilities of the Governor under the Executive Budget Act in AS 37.07.

Section 3: This section repeals language related to appropriations from the Budget Reserve Fund for disasters, as this bill in Section 1 excludes spending for declared disasters from the appropriation limit.

Section 4: This section notes that sections 1 and 2 of the bill apply to appropriations that are effective in FY23.

Section: This section contains transition language clarifying that prior appropriations made for school bond debt reimbursement and state-declared disasters will not be included in the calculation of an appropriation limit for the fiscal years 2023, 2024, and 2025.

Section 6: This section establishes an effective date of July 1, 2021.

Session (January-April):
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