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ALASKA STATE LEGISLATURE - HOUSE DISTRICT 27

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Representative Ashley Carrick
Chair, House State Affairs Committee
Alaska State Legislature
Juneau, Alaska

Re: Response to Question from HJR 23 hearing

Dear Chair Carrick:

During the recent hearing on House Joint Resolution 23, Representative Andi Story asked whether other states require their governors to submit a balanced budget without counting restricted reserve funds as revenue. We appreciate the opportunity to provide a response.

Nearly every state except Vermont operates under some form of balanced budget requirement. In approximately forty-four states, the governor is required to submit a balanced budget proposal. In most of these states, the requirement is framed broadly — that expenditures may not exceed anticipated revenues — without detailed constitutional language addressing whether reserve funds may be included in those revenue estimates at the proposal stage.

While many states regulate access to reserves through supermajority votes, withdrawal conditions, or replenishment requirements, it is less common to find constitutional language that expressly excludes restricted reserves from being counted as anticipated revenue in the governor's initial submission.

The following comparison chart summarizes selected states:

State	Governor Must Submit Balanced Budget?	Constitutional or Statutory?	Expressly Excludes Restricted Reserves from Revenue at Proposal Stage?
Alaska (Current)	Yes	Statutory (AS 37.07.020(c))	No – CBR not expressly excluded
Alaska (HJR 23 Proposal)	Yes	Proposed Constitutional Amendment	Yes – CBR excluded from anticipated revenue
California	Yes	Constitutional	No – reserves governed separately; not excluded in submission rule
Minnesota	Yes	Statutory	No – reserve transfers not expressly excluded
New Mexico	Yes	Constitutional	No – reserves may be used; not expressly excluded
Colorado	Yes	Constitutional (TABOR & related provisions)	No – reserves treated separately; not excluded in revenue definition
Texas	Legislature must pass balanced budget	Constitutional (legislative requirement)	No – rainy-day fund governed separately; not excluded in proposal

As the table reflects, balanced-budget submission requirements are common. However, explicit constitutional language prohibiting the inclusion of restricted reserve funds in anticipated revenue at the proposal stage is not.

HJR 23 would therefore be more structurally specific than most state models. It would not eliminate legislative access to reserves. Rather, it would require that the governor’s initial proposal be balanced without reliance on the Constitutional Budget Reserve, ensuring that the starting framework reflects recurring revenue rather than savings withdrawals. Decisions to access reserves would remain within the Legislature’s authority and subject to existing constitutional requirements.

We hope this information is helpful to the committee’s deliberations. Please let our office know if additional state-by-state citations or further fiscal comparisons would assist the committee.

Respectfully submitted,



Representative Jubilee Underwood
House District 27