

HB 51 STATUTORY APPROPRIATIONS LIMIT

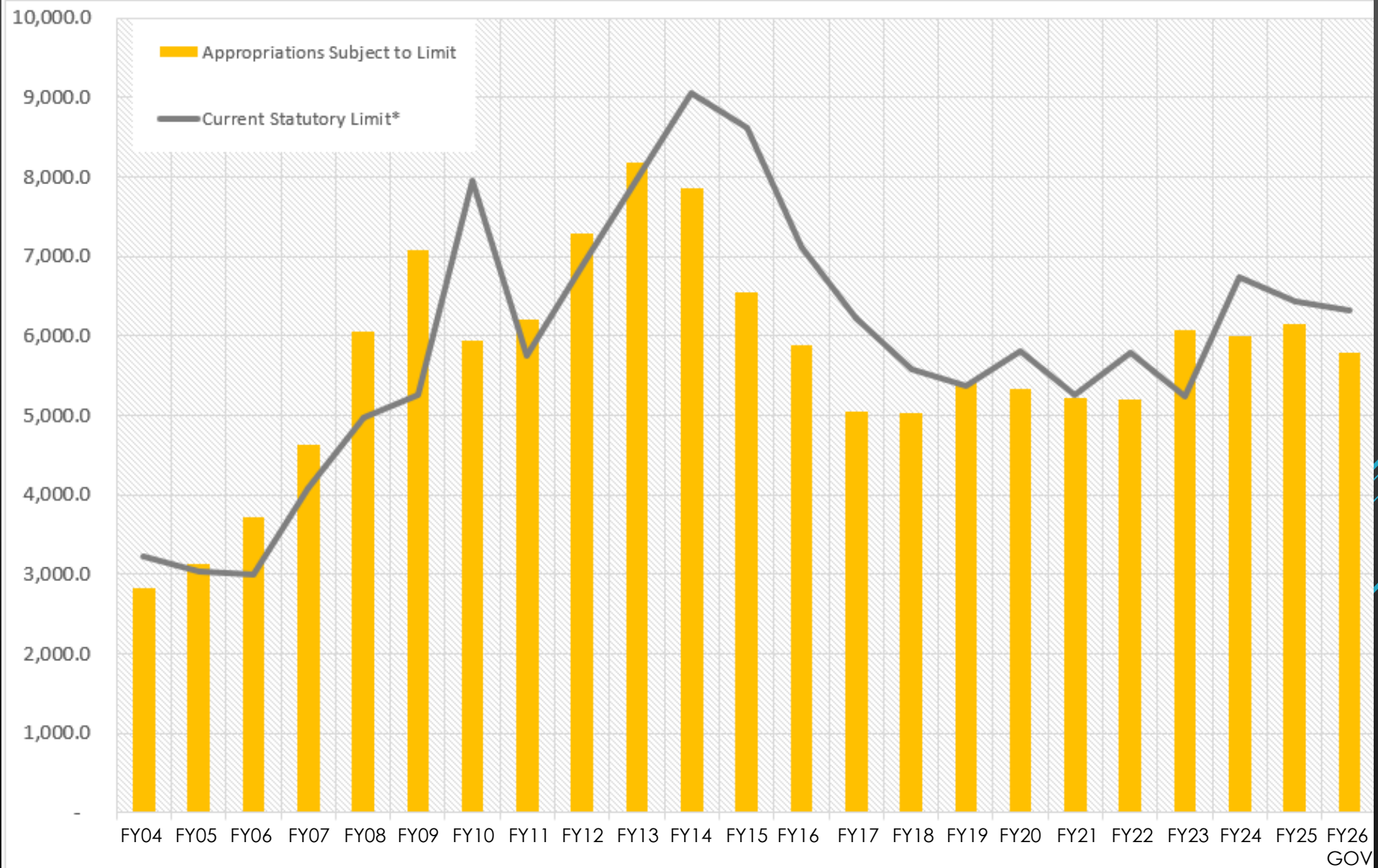
Representative Will Stapp

District 32 – E. Fairbanks, Ft. Wainwright, Badger

Several parallel teal lines of varying lengths and thicknesses are positioned on the right side of the slide, extending diagonally from the top right towards the bottom left.

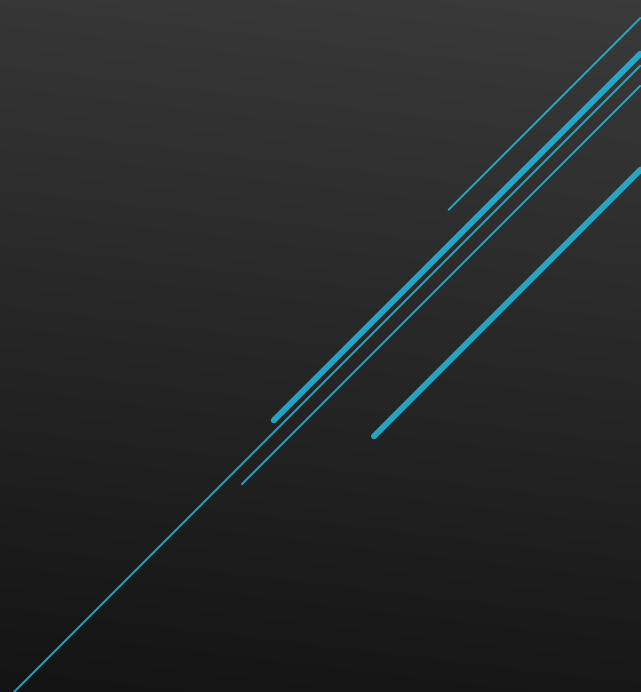
CURRENT STATUTORY LIMIT

- ▶ Set in AS 37.05.540(b)
 - ▶ Enacted in 1986
 - ▶ Includes similar language to the appropriations limit set in Article IX of the Alaska State Constitution
 - ▶ “Appropriations from the treasury made **in** a fiscal year may not exceed appropriations made in the preceding fiscal year by more than five percent plus the change in population and inflation since the beginning of the preceding fiscal year”
 - ▶ The change in population is based on an annual estimate by the Department of Labor & Workforce Development
 - ▶ Change in inflation is based on the Consumer Price Index (CPI) Anchorage as prepared by the US Bureau of Labor Statistics



*This is a representation of the current Statutory Limit as it applies to the appropriations made "for" a fiscal year and while not entirely accurate, it provides for a general understanding of the statutory limit currently in place.

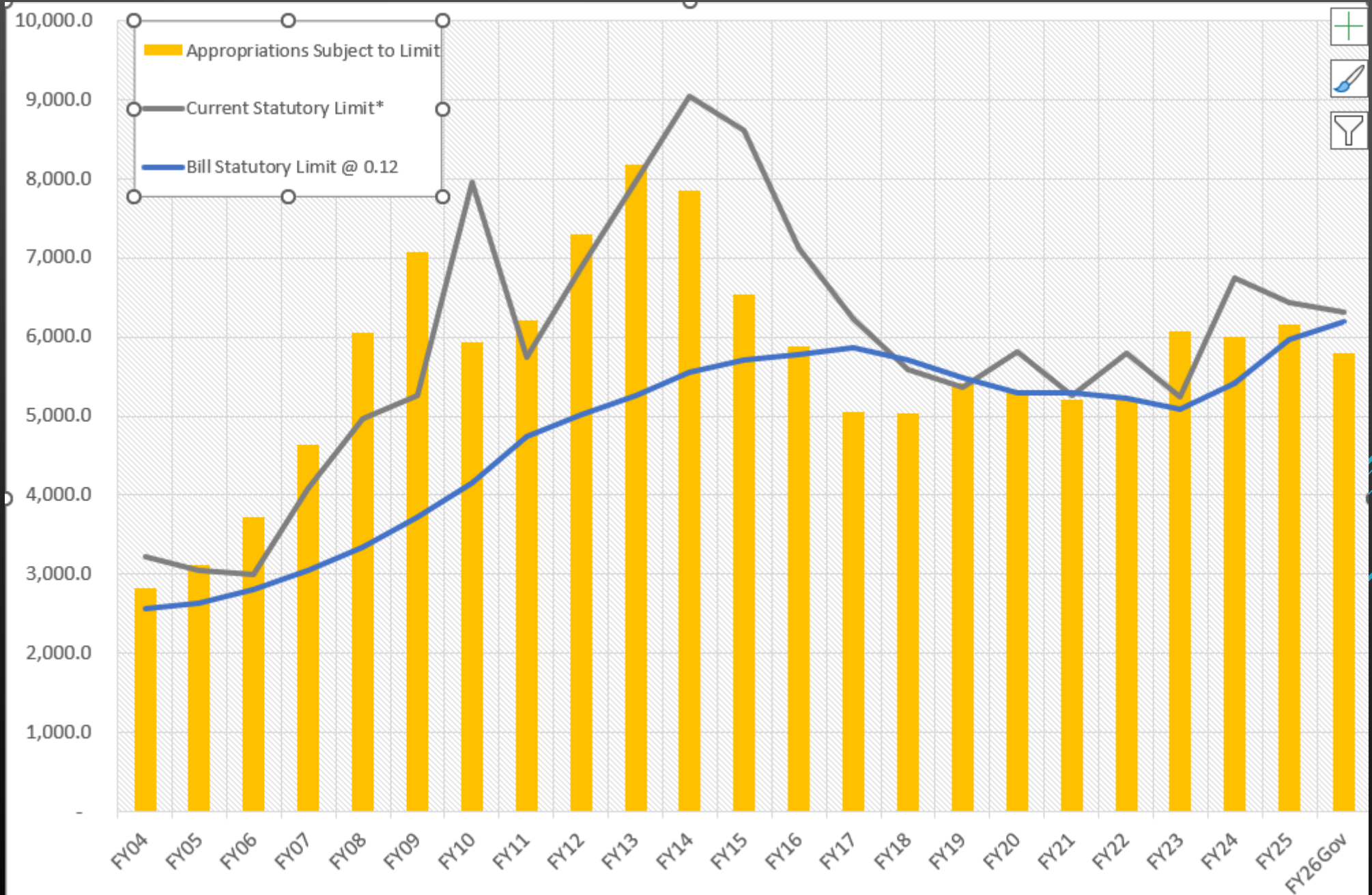
HB 51

- ▶ Establishes a new appropriations limit that is based off a percentage from a 5 calendar year trailing average of Real Gross Domestic Product (GDP)
 - ▶ Real GDP is calculated using Consumer spending, Business Investment, Net Exports and does not include government spending.
 - ▶ Real GDP incorporates factors such as changes in inflation and population which reflect economic growth.
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- Several parallel teal lines of varying lengths and slopes are positioned in the bottom right corner of the slide, creating a modern, abstract graphic element.

APPROPRIATIONS SUBJECT TO LIMIT

Subject to Limit	Not Subject to Limit
Unrestricted General Funds (UGF) Operating Expenditures	Permanent Funds Dividends
UGF Capital Expenditures (some exceptions)	Appropriations to Permanent Fund/PCE Endowment
Payments for Retirement benefits	Appropriations to a State Savings Account (ex. CBR, MHTF*)
	Appropriations to capitalize state retirement accounts
	Direct spending from a Disaster Declaration
	Proceeds of bonds that are approved by voters
	Appropriations made from Mental Health Trust Settlement Income Account (AS 37.14.036)

Calendar Year	Alaska GDP	Alaska Government GDP	GDP less Government	Anchorage CPI					Real Five- year Average, Trailing	Bill Approp Limit	Resolution Approp Limit
2002	29,884.5	6,401.0	23,483.5	158.2		FY05	24,121.8	23,483.5	21,993.3	2,639.2	3,299.0
2003	32,115.8	6,815.7	25,300.1	162.5		FY06	25,954.0	25,300.1	23,452.1	2,814.3	3,517.8
2004	35,389.5	7,116.5	28,273.0	166.7		FY07	29,138.0	28,273.0	25,363.2	3,043.6	3,804.5
2005	40,459.9	7,546.9	32,913.0	171.8		FY08	33,966.7	32,913.0	27,894.6	3,347.3	4,184.2
2006	44,951.7	7,912.4	37,039.3	177.3		FY09	37,861.8	37,039.3	31,000.0	3,720.0	4,650.0
2007	49,456.4	8,227.9	41,228.5	181.2		FY10	43,107.5	41,228.5	34,553.4	4,146.4	5,183.0
2008	55,246.7	8,555.3	46,691.4	189.5		FY11	47,245.1	46,691.4	39,565.8	4,747.9	5,934.9
2009	50,165.9	9,044.7	41,121.2	191.7		FY12	41,850.4	41,121.2	41,755.1	5,010.6	6,263.3
2010	53,654.0	9,313.9	44,340.1	195.1		FY13	45,767.7	44,340.1	43,886.5	5,266.4	6,583.0
2011	56,912.3	9,812.5	47,099.8	201.4		FY14	48,149.5	47,099.8	46,303.5	5,556.4	6,945.5
2012	58,320.7	10,178.2	48,142.5	205.9		FY15	49,654.0	48,142.5	47,595.4	5,711.5	7,139.3
2013	57,533.0	9,997.1	47,535.9	212.4		FY16	48,301.2	47,535.9	48,130.9	5,775.7	7,219.6
2014	56,587.4	10,226.9	46,360.5	215.8		FY17	46,596.8	46,360.5	48,921.8	5,870.6	7,338.3
2015	51,574.2	10,376.1	41,198.1	216.9		FY18	41,374.7	41,198.1	47,554.1	5,706.5	7,133.1
2016	51,121.8	10,714.6	40,407.2	217.8		FY19	40,600.7	40,407.2	45,652.4	5,478.3	6,847.9
2017	53,550.9	10,934.0	42,616.9	218.9		FY20	43,907.2	42,616.9	44,160.0	5,299.2	6,624.0
2018	54,762.0	11,405.2	43,356.8	225.5		FY21	43,967.4	43,356.8	44,074.0	5,288.9	6,611.1
2019	54,549.6	11,415.1	43,134.5	228.7		FY22	42,658.6	43,134.5	43,496.3	5,219.6	6,524.4
2020	51,283.4	11,414.9	39,868.5	226.2		FY23	41,813.9	39,868.5	42,399.0	5,087.9	6,359.8
2021	58,943.5	11,461.3	47,482.2	237.2		FY24	51,375.3	47,482.2	45,164.6	5,419.8	6,774.7
2022	66,271.9	11,826.4	54,445.5	256.6		FY25	55,238.3	54,445.5	49,762.9	5,971.5	7,464.4
2023	68,056.0	12,414.2	55,641.8	260.4		FY26Gov	56,889.0	55,641.8	51,603.5	6,192.4	7,740.5



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THANK YOU!
QUESTIONS?

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