

ALASKA STATE LEGISLATURE

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SENATOR JAMES KAUFMAN

Sectional Analysis for SB 36 – Version A

Section 1:

Amends AS 37.05.540(b) to change the list of appropriations subject to the limit as well as the conditions that determine the appropriation limit. It defines a calculation for an appropriation cap at 12% of a trailing average of Real GDP (not including government spending).

- **Exceptions List [37.05.540(b)]**
 - Adds Appropriation of GO Bond proceeds
 - Adds payment of principal and interest on revenue bonds
 - Adds ‘appropriations to a state account or fund that requires a subsequent appropriation from that account or fund as prescribed by law’
 - Adds ‘appropriations to meet a state of disaster declared by the governor as prescribed by law’
- **Appropriation Limit Conditions [37.05.540(b)]**
 - Adds (Appropriations Not to Exceed) 12% of the average Real GDP (not including government spending) for the first five of the last six years
 - Removes prior cap of 5% more than last year + the change in population and inflation since beginning of preceding fiscal year
 - Removes language describing determination of change in population based on annual estimate by DLWD
 - Removes language describing change in inflation based on Anchorage CPI

Section 2:

Adds a new subsection (f) to AS 37.07.020 which requires a comparison of the governor’s budget requests, supplemental requests, and budget amendments to the calculated appropriation limit.

Section 3:

Repeals AS 37.05.540(e). This statute is redundant due to exceptions list in section 1.

Section 4:

2/13/2025

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Adds a new section to Uncodified Law of the State of Alaska which ensures that this act is contingent upon the ratification of an amendment to Article IX, Sec. 16 of the Constitution.

Section 5:

Sets an effective date of July 1, 2025.