

ALASKA STATE LEGISLATURE

REPRESENTATIVE LORA REINBOLD



Sponsor Statement for House Joint Resolution 19

"Proposing an amendment to the Constitution of Alaska relating to the constitutional budget reserve fund."

House Joint Resolution 19 proposes to place a constitutional amendment before the voters during the fall 2016 general election. This bill amends Article IX, sec. 17(b), of the Alaska Constitution and would place an annual spending cap of ten percent of the current balance in the fund on the constitutional budget reserve.

Currently, the constitutional budget reserve may provide the amount necessary (when added to other appropriation funds) to provide for total appropriations equal to the amount of appropriations made in the previous fiscal year. The result is this fund being depended upon to backfill Alaska's large budget deficits.

Our current fiscal situation has been masked by a false sense of security cushioned by our savings accounts. At the end of this fiscal year the statutory budget reserve will be diminished. We must remember that as our oil revenues diminish, it is the men and women of this great state who will bear the cost of big government.

This legislation will allow Alaskans to determine if they wish to place a cap on the constitutional budget reserve in order to save for future generations.

I appreciate your consideration and urge your support of HJR 19.