



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

Sponsor Statement

House Bill 141

Since oil revenues began flowing into state coffers in the late 1970s, Alaska has seen the size of its budget fluctuate with available revenues. In years of high oil prices, the budget has grown – often to unsustainable levels. These booms have been followed by downturns that have required sudden, drastic reductions to the budget when revenues moderate. However, the bulk of Alaska's budget are relatively fixed costs which do not rise and fall with the price of oil and the stock market.

House Bill 141 would modernize the existing statutory appropriation limit to create a meaningful constraint on state spending. This approach eliminates the drastic swings in available funding from one year to the next and incentivizes savings in years of high revenues.

This bill creates predictability in budgeting by basing the appropriation limit on the average of the past three fiscal years, adjusted modestly for changes to population and inflation. The structure created by this appropriation limit will create a framework for the governor and legislature as they work to create a sustainable budget and fiscal plan for Alaskans.

Session (January-April):
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