

SENATE JOINT RESOLUTION NO. 202

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SPECIAL SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 5/19/02

Referred: Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to an**
2 **appropriation limit and a spending limit.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and
5 readopted to read:

6 **Section 16. Appropriation and Spending Limit.** (a) Appropriations made
7 for a fiscal year shall not exceed by more than four percent the amount appropriated
8 for the fiscal year two years preceding the fiscal year for which the appropriations are
9 made. This subsection does not apply to

10 (1) an appropriation to the Alaska permanent fund;

11 (2) an appropriation of Alaska permanent fund income for payments of
12 permanent fund dividends to State residents;

13 (3) an appropriation to meet a state of disaster declared by the
14 governor as prescribed by law;

15 (4) an appropriation for the Alaska Railroad;

1 (5) an appropriation of State general obligation and revenue bond
2 proceeds;

3 (6) an appropriation required to pay obligations under general
4 obligation bonds, revenue bonds, and certificates of participation issued by the State;

5 (7) an appropriation of money received from the federal government;

6 (8) a reappropriation of money already appropriated under an
7 unobligated appropriation that is not void under Section 13 of this article;

8 (9) an appropriation of money for expenditure by a State agency to
9 provide services to another State agency that has also received an appropriation of the
10 same money; and

11 (10) an appropriation made under (b) or (c) of this section.

12 (b) An appropriation that exceeds the limit under (a) of this section may be
13 made for any public purpose upon affirmative vote of at least two-thirds of the
14 members of each house of the legislature. The total amount of appropriations under
15 this subsection made for a fiscal year may not exceed two percent of the amount
16 appropriated for the fiscal year two years preceding the fiscal year for which the
17 appropriations are made.

18 (c) An appropriation that exceeds the limit under (a) and (b) of this section
19 may be made for any public purpose upon affirmative vote of at least three-fourths of
20 the members of each house of the legislature. The total amount of appropriations
21 under this subsection made for a fiscal year may not exceed two percent of the amount
22 appropriated for the fiscal year two years preceding the fiscal year for which the
23 appropriations are made.

24 (d) If appropriations for a fiscal year exceed the amount that may be
25 appropriated under (a) - (c) of this section, the governor shall reduce expenditures by
26 the executive branch for its operation and administration to the extent necessary to
27 avoid spending more than the amount that may be appropriated under (a) - (c) of this
28 section.

29 * **Sec. 2.** Article XV, Constitution of the State of Alaska, is amended by adding a new
30 section to read:

31 **Section 30. Transition; Reconsideration of Appropriation and Spending**

1 **Limit.** (a) Notwithstanding the provision in Section 16(a) of the Article IX that
2 appropriations for a fiscal year shall not exceed by more than four percent the amount
3 appropriated for the fiscal year two years preceding the fiscal year for which
4 appropriations are made, appropriations made for

5 (1) fiscal year 2004 under Section 16(a) of Article IX shall not exceed
6 \$3,328,000,000 excluding appropriations under Section 16(a)(1) - (10) of Article IX;
7 and

8 (2) fiscal year 2005 under Section 16(a) of Article IX shall not exceed
9 \$3,394,000,000 excluding appropriations under Section 16(a)(1) - (10) of Article IX.

10 (b) If the 2002 amendment relating to an appropriation and spending limit (art.
11 IX, sec. 16) is adopted, the lieutenant governor shall place the ballot title and
12 proposition for the amendment on the ballot again at the general election in 2006 and
13 every six years thereafter unless it is rejected. If the majority of those voting on the
14 proposition rejects the proposition, Section 16 of Article IX is repealed on the date the
15 election is certified.

16 * **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of
17 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
18 State of Alaska, and the election laws of the state.