

CS FOR HOUSE JOINT RESOLUTION NO. 9(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/8/04

Referred: Rules

Sponsor(s): REPRESENTATIVES STOLTZE, Kohring, Rokeberg, Meyer, Seaton, Lynn

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to an**
2 **appropriation 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4 * **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and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 Limit.** (a) Appropriations made for a current
7 fiscal year shall not exceed the average amount appropriated for the earliest three of
8 the four fiscal years immediately preceding that current fiscal year, increased or
9 decreased by the lesser of

10 (1) seventy-five percent of the sum of the following:

11 (A) the percentage rate of change in the cost of living for the
12 three calendar years preceding the calendar year during which the immediately
13 preceding fiscal year began; plus

14 (B) the percentage rate of change in the State population for the
15 three calendar years preceding the calendar year during which the immediately
16 preceding fiscal year began; or

1 (2) the percentage rate of change in the personal incomes of State
2 residents for the three calendar years preceding the calendar year during which the
3 immediately preceding fiscal year began.

4 (b) The legislature shall implement (a) of this section by law.

5 (c) An appropriation that exceeds the limit under (a) of this section by not
6 more than two percent may be made for any public purpose upon affirmative vote of at
7 least two-thirds of the members of each house of the legislature. An appropriation that
8 exceeds the limit under (a) of this section by not more than four percent may be made
9 for any public purpose upon affirmative vote of at least three-fourths of the members
10 of each house. However, the total amount of appropriations under this subsection
11 made for a fiscal year may not exceed the limit under (a) of this section by more than
12 four percent. A bill making one or more appropriations under this subsection must be
13 confined to appropriations made under this subsection.

14 (d) Calculations made under (a) or (c) of this section shall not include

15 (1) an appropriation to the Alaska permanent fund established in
16 Section 15 of this article;

17 (2) an appropriation for payments of permanent fund dividends to State
18 residents;

19 (3) an appropriation to meet a state of natural disaster declared by the
20 governor as prescribed by law;

21 (4) an appropriation to a separate fund or account in the general fund
22 from which expenditures may not be made without an additional appropriation from
23 that separate fund or account;

24 (5) an appropriation of State general obligation and revenue bond
25 proceeds;

26 (6) an appropriation required to pay obligations under revenue or
27 general obligation bonds issued by the State;

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

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

31 (9) an appropriation of money for expenditure by a State agency to

1 provide services to part of that same agency or to another State agency if the other part
2 or the other agency has also received an appropriation of the same money;

3 (10) an appropriation of money held in trust by the State for a
4 particular purpose;

5 (11) an appropriation of money from tuition of the University of
6 Alaska;

7 (12) an appropriation of money received by the state from a source
8 other than the state or federal government that is restricted to a specific use by the
9 terms of a gift, grant, bequest, or contract;

10 (13) an appropriation of money deposited into the budget reserve fund
11 under Section 17(d) of this article back to the funds and accounts from which the
12 money came;

13 (14) an appropriation of dedicated funds;

14 (15) an appropriation made under (c) of this section.

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

17 **Section 30. Application, Transition, and Reconsideration of**
18 **Appropriation Limit.** (a) The 2004 amendment relating to an appropriation limit
19 (art. IX, sec. 16) first applies to appropriations made for fiscal year 2006; however, for
20 purposes of making calculations under the appropriation limit for fiscal years 2006
21 through 2008, it shall be assumed that, excluding appropriations listed under Section
22 16(d) of Article IX, the amount appropriated for

23 (1) fiscal year 2004 equals \$3,300,000,000; and

24 (2) fiscal year 2005 equals \$3,400,000,000.

25 (b) Notwithstanding Section 1 of Article XIII, the lieutenant governor shall
26 place the ballot title and proposition for the 2004 amendment relating to an
27 appropriation limit (art. IX, sec. 16) on the ballot again at the general election in 2010
28 and every six years thereafter unless it is rejected. If the majority of those voting on
29 the proposition rejects the amendment, Section 16 of Article IX is repealed on the date
30 the election is certified.

31 * **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of

- 1 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
- 2 State of Alaska, and the election laws of the state.