

**HOUSE JOINT RESOLUTION NO. 103**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SPECIAL SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 6/22/04

Referred: Judiciary, Finance

**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4 \* **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and  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

1 preceding fiscal year began; or

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

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

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

15 (d) The following are excluded from the appropriation limits in (a) and (c) of  
16 this section and from the calculations made under (a) of this section:

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

19 (2) an appropriation for payments of permanent fund dividends to State  
20 residents;

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

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

26 (5) an appropriation of State general obligation and revenue bond  
27 proceeds or an appropriation of capital lease financing proceeds;

28 (6) an appropriation required to pay obligations under revenue or  
29 general obligation bonds issued by the State or payments owed by the State under a  
30 capital lease;

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

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

3 (9) an appropriation of money for expenditure by a State agency to  
4 provide services to part of that same agency or to another State agency if the other part  
5 or the other agency has also received an appropriation of the same money;

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

8 (11) an appropriation of money from tuition of the University of  
9 Alaska;

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

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

16 (14) an appropriation of dedicated funds.

17 (e) An appropriation made under (c) of this section is excluded from the  
18 calculations made under (a) of this section.

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

21 **Section 30. Application, Transition, and Repeal of Appropriation Limit.**

22 (a) The 2004 amendment relating to an appropriation limit (art. IX, sec. 16) first  
23 applies to appropriations made for fiscal year 2006; however, for purposes of making  
24 calculations under the appropriation limit for fiscal years 2006 through 2008, it shall  
25 be assumed that, excluding appropriations listed under Section 16(d) of Article IX, the  
26 amount appropriated for

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

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

29 (b) Section 16 of Article IX (appropriation limit) is repealed July 1, 2009.

30 \* **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of  
31 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the

1 State of Alaska, and the election laws of the state.