

CS FOR SENATE JOINT RESOLUTION NO. 3(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/5/04

Referred: Today's Calendar

Sponsor(s): SENATORS DYSON, Bunde, Wagoner, Gary Stevens, Ogan, Stedman

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4 * **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and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) Subject to (b) of this section and
7 except as provided in (d), (e), and (f) of this section, appropriations made for a current
8 fiscal year shall not exceed the average amount appropriated for the earliest three of
9 the four fiscal years immediately preceding that current fiscal year by more than the
10 sum of the following:

11 (1) the percentage rate of change in the Consumer Price Index for all
12 urban consumers for the Anchorage metropolitan area compiled by a federal agency
13 during the two calendar years preceding the calendar year during which the
14 immediately preceding fiscal year began, but not to exceed the percentage change in
15 personal income of State residents during the two calendar years preceding the
16 calendar year during which the immediately preceding fiscal year begins; plus

1 (2) the percentage rate of change in the State population during the two
2 calendar years preceding the calendar year during which the immediately preceding
3 fiscal year began compiled by a State department.

4 (b) If the appropriation limit amount calculated under (a) of this section for a
5 current fiscal year is less than the appropriation limit amount calculated for the
6 immediately preceding fiscal year, the appropriation limit amount for the immediately
7 preceding fiscal year shall apply to the current fiscal year.

8 (c) Calculations made under (a) of this section shall not include appropriations

9 (1) to the Alaska permanent fund established in Section 15 of this
10 article;

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

13 (3) of money received by the State from a source other than the State
14 or federal government that is restricted to a specific use by the terms of a gift, grant,
15 bequest, or contract;

16 (4) of State general obligation bond and revenue bond proceeds;

17 (5) required to pay obligations under revenue bonds;

18 (6) of money received from the federal government;

19 (7) of money received as tuition, fees, or contract receipts, or from
20 other sources apart from the general fund by the University of Alaska;

21 (8) of dedicated funds and trust funds;

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

24 (10) of money previously appropriated for a different purpose or to a
25 different recipient; and

26 (11) made under (d), (e), or (f) of this section.

27 (d) An appropriation that exceeds the appropriation limit under this section
28 may be made for any public purpose identified in a declaration of emergency that is
29 issued by the governor as prescribed by law.

30 (e) If the governor declares that an extraordinary circumstance exists, upon the
31 affirmative vote of at least two-thirds of the members of each house, the legislature

1 may pass an appropriation that exceeds the appropriation limit under this section to
 2 address the extraordinary circumstance. The declaration shall identify the specific
 3 extraordinary circumstance, specify the amount of each appropriation the governor
 4 requests, and identify the time period during which expenditures under each
 5 appropriation will be made.

6 (f) If the legislature, by law, declares that an extraordinary circumstance
 7 exists, upon the affirmative vote of at least two-thirds of the members of each house,
 8 the legislature may pass an appropriation that exceeds the appropriation limit under
 9 this section to address the extraordinary circumstance. Notwithstanding Section 17 of
 10 Article II, a bill declaring an extraordinary circumstance passed by the legislature may
 11 not become law unless signed by the governor.

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

14 **Section 30. Application, Transition, and Repeal.** (a) The 2004 amendment
 15 relating to an appropriation limit (art. IX, sec. 16) first applies to appropriations made
 16 for fiscal year 2006. However, for purposes of making calculations under the
 17 appropriation limit for fiscal years 2006 through 2008 it shall be assumed that,
 18 excluding appropriations listed under Section 16(c) of Article IX, the amount
 19 appropriated for

20 (1) fiscal year 2004 equals \$3,150,000,000; and

21 (2) fiscal year 2005 equals \$3,250,000,000.

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

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