

**ALASKA STATE LEGISLATURE  
HOUSE JUDICIARY STANDING COMMITTEE**

May 14, 2003

9:25 p.m.

**MEMBERS PRESENT**

Representative Lesil McGuire, Chair  
Representative Dan Ogg  
Representative Ralph Samuels  
Representative Les Gara  
Representative Max Gruenberg

**MEMBERS ABSENT**

Representative Tom Anderson, Vice Chair  
Representative Jim Holm

**COMMITTEE CALENDAR**

HOUSE JOINT RESOLUTION NO. 9

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

- HEARD AND HELD

HOUSE JOINT RESOLUTION NO. 4

Proposing an amendment to the Constitution of the State of Alaska relating to the duration of a regular session.

- SCHEDULED BUT NOT HEARD

CS FOR SENATE BILL NO. 93(JUD) am

"An Act relating to limitations on actions to quiet title to, eject a person from, or recover real property or the possession of it; relating to adverse possession; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

SENATE BILL NO. 53

"An Act relating to disposition of a traffic offense involving the death of a person; providing for the revocation of driving privileges by a court for a driver convicted of a violation of traffic laws in connection with a fatal motor vehicle or commercial motor vehicle accident; amending Rules 43 and 43.1,

Alaska Rules of Administration; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

CS FOR SENATE BILL NO. 160(HES)

"An Act relating to civil liability for use or attempted use of an automated external defibrillator; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

CS FOR SENATE BILL NO. 64(JUD)

"An Act relating to a requirement that certain consumer reporting agencies provide individuals with certain information without charge."

- SCHEDULED BUT NOT HEARD

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 41(FIN)

"An Act relating to medical care and crimes relating to medical care, including medical care and crimes relating to the medical assistance program, catastrophic illness assistance, and medical assistance for chronic and acute medical conditions."

- BILL HEARING POSTPONED

HOUSE BILL NO. 13

"An Act declaring legislative intent to reject the continuity of enterprise exception to the doctrine of successor liability adopted in *Savage Arms, Inc. v. Western Auto Supply*, 18 P.3d 49 (Alaska 2001), as it relates to products liability; providing that a successor corporation or other business entity that acquires assets of a predecessor corporation or other business entity is subject to liability for harm to persons or property caused by a defective product sold or otherwise distributed commercially by the predecessor only if the acquisition is accompanied by an agreement for the successor to assume the liability, results from a fraudulent conveyance to escape liability for the debts or liabilities of the predecessor, constitutes a consolidation or merger with the predecessor, or results in the successor's becoming a continuation of the predecessor; defining 'business entity' that acquires assets to include a sole proprietorship; and applying this Act to the sale, lease, exchange, or other disposition of assets by a corporation, a limited liability company, a partnership, a limited liability partnership, a limited partnership, a sole

proprietorship, or other business entity that occurs on or after the effective date of this Act."

- BILL HEARING CANCELED

**PREVIOUS ACTION**

BILL: HJR 9

SHORT TITLE:CONST AM: APPROPRIATION/SPENDING LIMIT

SPONSOR(S): REPRESENTATIVE(S)STOLTZE

Jrn-Date	Jrn-Page		Action
01/31/03	0102	(H)	READ THE FIRST TIME - REFERRALS
01/31/03	0102	(H)	STA, JUD, FIN
02/11/03		(H)	STA AT 8:00 AM CAPITOL 102
02/11/03		(H)	Heard & Held MINUTE(STA)
03/28/03	0687	(H)	COSPONSOR(S): ROKEBERG
04/04/03	0797	(H)	W&M REFERRAL ADDED BEFORE STA
04/09/03		(H)	W&M AT 7:00 AM HOUSE FINANCE 519
04/09/03		(H)	Heard & Held
04/09/03		(H)	MINUTE(W&M)
04/17/03		(H)	W&M AT 7:00 AM HOUSE FINANCE 519
04/17/03		(H)	Heard & Held
04/17/03		(H)	MINUTE(W&M)
04/24/03		(H)	W&M AT 7:00 AM HOUSE FINANCE 519
04/24/03		(H)	Heard & Held
04/24/03		(H)	MINUTE(W&M)
04/29/03		(H)	W&M AT 7:00 AM HOUSE FINANCE 519
04/29/03		(H)	Heard & Held
04/29/03		(H)	MINUTE(W&M)
04/30/03		(H)	W&M AT 8:00 AM HOUSE FINANCE 519
04/30/03		(H)	Heard & Held
04/30/03		(H)	MINUTE(W&M)
05/02/03		(H)	W&M AT 7:00 AM HOUSE FINANCE 519
05/02/03		(H)	Moved CSHJR 9(W&M) Out of Committee MINUTE(W&M)
05/02/03	1271	(H)	W&M RPT CS(W&M) NT 3DP 2NR 2AM

05/02/03	1271	(H)	DP: HEINZE, WHITAKER, HAWKER;
05/02/03	1271	(H)	NR: MOSES, GRUENBERG; AM: KOHRING,
05/02/03	1271	(H)	WILSON
05/02/03	1271	(H)	FN1: (GOV)
05/06/03		(H)	JUD AT 5:30 PM CAPITOL 120
05/06/03		(H)	<Pending Referral>
05/06/03		(H)	STA AT 8:00 AM CAPITOL 102
05/06/03		(H)	Scheduled But Not Heard
05/06/03		(H)	STA AT 5:30 PM CAPITOL 102
05/06/03		(H)	Scheduled But Not Heard
05/07/03		(H)	JUD AT 1:00 PM CAPITOL 120
05/07/03		(H)	<Bill Hearing Postponed>
05/07/03		(H)	STA AT 8:00 AM CAPITOL 102
05/07/03		(H)	Heard & Held MINUTE(STA)
05/08/03		(H)	STA AT 8:00 AM CAPITOL 102
05/08/03		(H)	Moved CSHJR 9(STA) Out of Committee MINUTE(STA)
05/08/03	1465	(H)	STA RPT CS(STA) NT 3DP 3NR
05/08/03	1465	(H)	DP: SEATON, LYNN, DAHLSTROM;
05/08/03	1465	(H)	NR: GRUENBERG, HOLM, WEYHRAUCH
05/08/03	1466	(H)	FN1: (GOV)
05/08/03	1466	(H)	REFERRED TO JUDICIARY
05/08/03		(H)	JUD AT 3:30 PM CAPITOL 120
05/08/03		(H)	<Bill Hearing Postponed>
05/09/03		(H)	JUD AT 1:00 PM CAPITOL 120
05/09/03		(H)	Heard & Held MINUTE(JUD)
05/12/03		(H)	JUD AT 1:00 PM CAPITOL 120
05/12/03		(H)	<Bill Hearing Postponed to Wed. 5/14/03>
05/14/03		(H)	JUD AT 1:00 PM CAPITOL 120

**WITNESS REGISTER**

REPRESENTATIVE BILL STOLTZE  
Alaska State Legislature  
Juneau, Alaska  
POSITION STATEMENT: Sponsor of HJR 9.

**ACTION NARRATIVE**

**TAPE 03-62, SIDE A**  
Number 0001

**CHAIR LESIL MCGUIRE** called the House Judiciary Standing Committee meeting to order at 9:25 p.m. Representatives McGuire, Ogg, Samuels, and Gruenberg were present at the call to order. Representative Gara arrived as the meeting was in progress.

HJR 9 - CONST AM: APPROPRIATION/SPENDING LIMIT

Number 0024

CHAIR MCGUIRE announced that the only order of business would be HOUSE JOINT RESOLUTION NO. 9, Proposing amendments to the Constitution of the State of Alaska relating to an appropriation limit and a spending limit. She noted that the sponsor's staff had given the committee an overview of the resolution at its prior hearing.

Number 0057

REPRESENTATIVE BILL STOLTZE, Alaska State Legislature, sponsor, noted that some members in the House Judiciary Standing Committee have heard HJR 9 in its prior committees of referral. He said his philosophy has been fairly succinct, adding:

Many of us see some things coming down the line that heretofore haven't been ... on the horizon: tax measures, uses of previously sacrosanct fund sources. With those potential inevitabilities, I wanted to have a sustainable budget level that the public had confidence in and then, when we're putting new money on the table, that ... we're maintaining a sustainable spending level. It's one legislator's philosophy reflecting the values of my district, and I realize ... I have 39 colleagues that have similar and disparate views. There's certainly ... some devil in the details on this. It's not a perfect measure; as you've seen, it's been amended through the process. Some amendment's I've agreed with, some not. It's now before you for consideration.

Number 0206

REPRESENTATIVE SAMUELS moved to adopt CSHJR 9(STA) as the work draft. There being no objection, it was so ordered.

REPRESENTATIVE OGG indicated that he liked [CSHJR 9(W&M)] more, because it had another step in it involving another 2 percent. He said that although he would go along with passing out of committee the most recent version - CSHJR 9(STA) - he doesn't think it puts Alaska in a good position or gives the legislature the flexibility it may need in the future. He elaborated:

I think that the percentages here are just a little too tight. I would have been much happier with adding another section in here that would have allowed another increase of 2 percent. I think Alaska's history has shown that we tend to enter periods of high, increased economic activity in a very short period of time that we certainly can't foresee today. And this doesn't allow for that to happen; it may constrict it.

We may also end up in a situation where we have a high-inflationary period that I hope we never do get to, but if we did get into something like that, I don't think that this 2 percent/2 percent would accommodate that. Also, I was trying to, last time we were discussing this, [point out that] you can get into a system here, the way that the two-year thing is set up, that if these are your first two years that you use and you're in a two-year delay, ... you can end up with that as your base and never really accommodate a flat line here, because those will just follow along because you're using opposite two years.

And I don't think that this addresses that. And also what would happen is, if you had a shortfall in some future time, you've brought your budget down one year because of an anomaly and then you went back up the next year, you could exacerbate that - a shifting back and forth between the two years because of the two-year lag here. I just wanted to have that on the record; I don't know how to rectify that here, and those are my comments.

Number 0435

REPRESENTATIVE STOLTZE said that those are all good points. He mentioned that he'd started out with an even more conservative spending limit, but the House Special Committee on Ways and Means "tripled what I wanted to accomplish, and I got them to back down to doubling it." "So, we all try to represent our

philosophies, our goals and legitimate aspirations, and I acknowledge yours," he added.

REPRESENTATIVE GRUENBERG began discussion of [Amendment 1]. He distributed page 2 of a proposed committee substitute (CS) for HJR 9, Version 23-LS0435\H, Cook, 4/29/03, which was reported from the House Special Committee on Ways and Means, as amended. He focused members' attention on language that said:

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

[The foregoing was not included in CSHJR 9(W&M) as reported from the House Special Committee on Ways and Means.]

REPRESENTATIVE GRUENBERG said he thought that that language was good because it provided an intermediate step. He said that he would be willing to reinsert that language into HJR 9.

REPRESENTATIVE STOLTZE opined that including that language would "increase the ability to spend more money and liberalize the spending limit." He said that the issue of whether to add that language is a policy and judgment call. He suggested that were they to do so, perhaps the legislation should be referred to as an increased spending plan, rather than a spending limit. He offered his belief that the legislature would not have any problem spending 6-8 percent more each year, although the funding for doing so might not be available. He said he is not sure that the Alaska public will accept the measures that would be required to fuel "that kind of legislative appetite."

Number 0637

REPRESENTATIVE GARA asked how many other states have spending caps.

REPRESENTATIVE STOLTZE said he did not know, and indicated that he would research that issue.

REPRESENTATIVE GARA asked whether any other state has a spending cap.

REPRESENTATIVE STOLTZE said he believes that there are other states which do have some sort of spending cap, but added that he did not know how many other states have a funding mechanism similar to Alaska's for the operation of state government.

REPRESENTATIVE GARA asked Representative Stoltze whether he would be amenable to a tax cap instead of a spending cap.

REPRESENTATIVE STOLTZE said, "That makes the presumption ... that we're going to have taxes." He noted that a tax cap has been offered in the past, and said that he would favor one, but only in addition [to a spending cap]. "I don't have the same predilection for taxes as other folks have, ... so it's harder for me to take that leap," he added.

REPRESENTATIVE GARA said he has a concern, and elaborated:

I personally believe that after lagging behind inflation on school funding for more than a decade now, that we've stressed our schools ... beyond their limits and their ability to provide a ... good enough education to our children. And I guess ... if I said, "Well, are we ever going to be able to fund our schools properly if we ... cap spending at essentially last year's level," I guess the response would be, "Well, we can always take money away from somewhere else and put it in the schools." But we weren't able to do it this year. So, ... do you share my view that we've been unfairly lagging in the area of school funding? Or do you think that we're at an adequate level of school funding?

Number 0820

REPRESENTATIVE STOLTZE replied:

I share a concern for adequate school funding. But I also share a concern about where money is going to come from [and] the public's willingness to pay for things. ... I serve in a body with 59 other people from all over the state, ... we all have different priorities, and it's really hard to get to that spending prioritization. I think one thing just about all of us agree on is education funding; I think that

would be a priority for funding. But we can't always agree on what else ought to be cut ..., and I think this is a mechanism that'll force us to make those cuts.

It's not something I'm really comfortable [with; it's] not my first choice. I wish we had internal discipline, but we've seen ... how hard it is with disparate priorities and different goals .... Just about every [disparity] makes it hard to do what we want to do, or at least [what] the majority of us want to do. ... But I think one thing we have seen, even in ... the most austere times when oil was down to nine bucks a barrel, education was fully funded. So I would use that as a benchmark of what our ability to prioritize education [is]; it was even actually increased, I believe. On that issue I think, yeah, ... we would have the ability to at least make a real good effort to meet education needs even under the most restrictive spending limit.

REPRESENTATIVE GARA said he is just wondering whether a spending cap of the kind proposed in HJR 9 really makes sense. He again asked Representative Stoltze whether he believes that state funding for education is at an adequate level or is underfunded.

REPRESENTATIVE STOLTZE said that he is not sure that they could ever adequately address all the educational needs of the state. He offered that one solution would for certain areas of the state to start contributing at the local level to education funding. He indicated that [a spending cap] is going to cause "local people" to reevaluate how much they are willing to contribute, adding, "it may force us to make some rational decisions, which we haven't been able to make."

Number 1027

REPRESENTATIVE SAMUELS, after noting that Anchorage has both a tax cap and spending cap, said that he did not think a tax cap would work because the state's finances are still so dependent on oil revenues. Even with an income tax or a sales tax, the state is still going to be dependent on royalties from the oil industry, which in turn are dependent on the price of oil. "If we want to have a mechanism that contains the growth of government, I don't think that ... [a] tax cap will work just because of the way we operate," he added.

REPRESENTATIVE GARA asked: If a tax cap won't work because there is such a variable rate of oil revenue, how would those same circumstances allow a spending cap to work? Won't there be the same problem if oil revenues drop terribly?

REPRESENTATIVE STOLTZE offered that if oil revenues drop, there won't be any problem meeting the spending cap.

REPRESENTATIVE SAMUELS agreed, adding that sooner or later, the problem will be fixed because the constitutional budget reserve will run out of money. But no matter how the problem is fixed, Alaska's income stream will have more fluctuations than "a normal state."

REPRESENTATIVE GARA, in an attempt to clarify his question, said:

My belief is that we underfund education. Not terribly, but we've fallen behind. And so my big concern about a spending cap is that if [at] today's level of spending we're underfunding education, and if as a body we can't figure out a way to shuffle money around to get more money within this budget for education and away from other things, I'm wondering, if we institutionalize today's spending level, how we'll ever get to a point of fair education funding. And so my question to you was, do you share my concern that we're underfunding education. If you don't, then that's a great reason to support the spending limit.

REPRESENTATIVE STOLTZE said he'd already answered that question.

REPRESENTATIVE GARA opined that Representative Stoltze had not yet answered that question.

REPRESENTATIVE GRUENBERG turned attention back to the language on page 2 of Version H [text provided previously]. He offered his belief that "a reasonable working group" could achieve the two-thirds vote provided for in Version H. This [language] would provide a little cushion, an intermediate step before having to go to a three-fourths vote.

Number 1278

REPRESENTATIVE GRUENBERG made a motion to adopt Amendment 1, to add [after line 10 on page 2 of HJR 9(STA)] the language in subsection (b) from Version H [text provided previously].

REPRESENTATIVE STOLTZE sought clarification of whether Amendment 1 would replace the current subsection (b).

REPRESENTATIVE GRUENBERG said no, indicating that it would be in addition to the language currently in HJR 9(STA).

REPRESENTATIVE STOLTZE remarked that adopting Amendment 1 would provide for a total of 6 percent.

REPRESENTATIVE GRUENBERG noted that a three-fourths vote is very difficult to achieve, and that he wishes to make it easier in case there is a problem.

REPRESENTATIVE OGG noted that Amendment 1 would provide for a new subsection (b) and, therefore, the remainder of the bill would have to be "renumbered."

Number 1306

REPRESENTATIVE GRUENBERG agreed with that point and again made the motion to adopt Amendment 1.

Number 1311

REPRESENTATIVE SAMUELS objected.

REPRESENTATIVE OGG said he thought that extra cushion would be needed to take care of some future [fiscal] anomaly. He went on to say:

I feel really concerned about limiting the ability of our representative form of government to respond and react to a fiscal reality. And what we're doing here is very clear; this restricts our ability to respond. There are certain things that you can respond to in here, but you're not able to respond to a wonderful increase in growth in our economy. So something like the Prudhoe Bay, something like that that might come that's unforeseen, this does not allow you to respond to that. It also doesn't allow you to respond to a rapid increase of inflation.

REPRESENTATIVE SAMUELS offered his belief that there are exceptions for the disasters and for the "feds coming in with more." "If we're going to try to limit spending, we should try to limit spending," he added. He mentioned that with another

step in there, he is concerned that appropriations would just keep rising.

CHAIR McGUIRE asked whether there are any exceptions to Anchorage's [limits].

REPRESENTATIVE SAMUELS said he did not know the specifics of [those limits].

REPRESENTATIVE GARA replied:

It's different. ... This is as much as I know ...; I only understand the tax cap part of it. But the tax cap part of it, see, as the population grows and the economy grows, even if the tax rate stays the same, the amount of revenue that comes in accounts for the bigger population [and] the bigger amount of business. And that's the big difference between the Anchorage tax cap and this. No matter how big the population grows, the way this spending cap is written, the amount of spending stays the same. And so if the population goes up, the amount of money spent on each person goes down. In Anchorage that's accounted for because the way the tax cap is written: assuming that the economy grows as the population grows, the tax base gets bigger even without the rate going higher.

CHAIR McGUIRE remarked that that is an interesting point. She asked Representative Stoltze to comment on what he thinks might happen if a gas line goes in, or the Arctic National Wildlife Refuge (ANWR) gets developed, or some other "fundamental changes" in the economy occur that would cause the population to expand.

Number 1484

REPRESENTATIVE STOLTZE said he thinks that population adjustments make more sense than percentage increases. He went on to say, "I don't support inflation ...; that's led to spiraling budget increases on our entitlement programs."

CHAIR McGUIRE asked Representative Stoltze why he has not included in HJR 9 a provision that addresses population increases.

REPRESENTATIVE STOLTZE replied that he was trying to "keep this thing as tight" as he could. He mentioned that should Amendment 1 pass, it would "triple" his original proposal.

REPRESENTATIVE GRUENBERG mentioned that he has two concerns: the effect of inflation, and the effect of economic disasters. He suggested that "disaster" as used on page 1, [paragraph] (3), ought to include economic disasters as well as natural disasters. Doing so, he opined, would eliminate his concern regarding that issue. However, the effects of inflation still ought to be addressed somehow, he remarked, adding that Amendment 1 would help in that regard.

REPRESENTATIVE STOLTZE said that over the years, he has seen [the definition of] "economic disasters" evolve and "liberalize" the spending of funds. He used Western Alaska as an example of an area where funds are spent on annual economic disasters.

CHAIR MCGUIRE said she did not disagree with the purpose of the bill and understood its goal, adding that "we spend more money than we should," though perhaps not in the area of education. She observed that there is a tendency for legislators to seek funding for capital projects and other projects that will benefit their districts. She posited that the issues being raised by members are an attempt to determine, as the body tasked with financing the operations of the state, how to do it in a responsible manner given the difficulty of predicting where Alaska will be 20 years from now with respect to its population and economy. She suggested to Representative Stoltze that he give these issues of how to deal with unforeseen circumstances his serious consideration.

REPRESENTATIVE STOLTZE mentioned that in one version, HJR 9 had "an escape valve" that would have required voter reapproval every six years.

Number 1737

REPRESENTATIVE GRUENBERG then began discussion of [what became known as Amendment 2]. He turned attention to CSHJR 9(W&M) and noted that its Section 2 was removed in the House State Affairs Standing Committee; thus CSHJR 9(STA) no longer includes the language that reads:

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

**Section 30. Application; Repeal of Appropriation Limit.**

(a) The 2004 amendment relating to an appropriation limit (art. IX, sec. 16) first applies to appropriations made for fiscal year 2006 and applies each fiscal year thereafter until fiscal year 2013.

(b) Section 16 of Article IX is repealed July 1, 2012.

REPRESENTATIVE GRUENBERG opined that having such language in HJR 9 would not be a bad idea.

Number 1770

REPRESENTATIVE GRUENBERG asked that his suggestion to insert the foregoing language be considered Amendment 2.

CHAIR MCGUIRE agreed.

Number 1781

REPRESENTATIVE GRUENBERG began discussion of [what became known as Amendment 3]. He then turned attention to CSHJR 9(STA), page 2, lines 17-20, which reads:

(c) If appropriations for a fiscal year exceed the amount that may be appropriated under (a) and (b) of this section, the governor shall reduce expenditures by line item veto to avoid spending more than the amount that may be appropriated under (a) and (b) of this section.

REPRESENTATIVE GRUENBERG said he felt that this language is unnecessary because the governor already has the authority to do what is proposed in this subsection.

Number 1823

REPRESENTATIVE GRUENBERG asked that the deletion of this subsection (c) from page 2, lines 17-20, be considered Amendment 3.

CHAIR MCGUIRE invited Representative Stoltze to comment on the proposed amendments.

REPRESENTATIVE STOLTZE, referring to the language that would be deleted by Amendment 3, surmised that that language was included

as legislative intent language for the governor, that he/she shall reduce expenditures by line item veto if the legislature does not abide by the appropriation limit.

REPRESENTATIVE GRUENBERG mentioned that there had been some discussion in a prior committee regarding whether the legislature would retain the authority to override line item vetoes. He said that legally, the language does not cause him concern; rather, he is merely suggesting that it is unnecessary language.

CHAIR McGUIRE suggested that it is not a bad idea to keep subsection (c) in order to clarify "how it would actually work." She remarked that the legislature's propensity to overspend is one of the reasons for having a spending limit. In addition, a spending limit in the form of a constitutional amendment would say to the public that the legislature is going to be asking it to start paying for the services it receives, whether it's through the use of the [permanent fund] or a broad-based tax, but that in doing so, the legislature is offering some comfort [that it will limit spending]. She said that she supports the inclusion of a provision that notifies voters that they will be asked to revisit this issue every six years; in this way, if a spending limit does not prove feasible, the voters will have an opportunity to reject it.

REPRESENTATIVE STOLTZE observed that the state clearly has a fiscal gap, and suggested that whether it is deserved or not, the legislature has a little bit of a credibility gap with the public on the issue of spending. He opined that HJR 9 will help bridge that credibility gap, and indicated that there is no point in trying to get the public to accept some of the things that might have to be done to close the fiscal gap until after that credibility gap is bridged. He suggested that HJR 9 will provide everyone with a level of comfort, whether they are in favor of revenue measures or in favor of cost-cutting measures.

Number 2052

REPRESENTATIVE STOLTZE, in response to a question, indicated that one of the versions of HJR 9 had a voting mechanism in it that was similar to what happens with regard to the question of whether to have a constitutional convention.

REPRESENTATIVE SAMUELS asked whether adjustments for population growth would be done after a census, and whether Representative Stoltze has researched this issue.

REPRESENTATIVE STOLTZE indicated that adjustments for population growth could probably be implemented and would be preferable to percentage increases because [the rate of population growth] would be a more accurate indicator of the state's need to increase spending.

REPRESENTATIVE OGG said he keeps wrestling with the issues of inflation and economic growth, and indicated that he is trying to figure out where a provision to account for population or economic growth would fit in HJR 9. With regard to the aforementioned issue of an additional 2 percent, he said, "I think you need that safety valve."

REPRESENTATIVE GRUENBERG noted that in the resolution's hearings in prior committees, the issue of accounting for population growth had not been discussed. He suggested that there are probably a lot of aspects of HJR 9 that have not yet been considered.

CHAIR McGUIRE asked Representative Stoltze to explore the concept of a provision that would account for population growth.

The committee took an at-ease from 10:08 p.m. to 10:10 p.m.

Number 2252

CHAIR McGUIRE announced that HJR 9 would be held over, and indicated that the committee might have hearings on it during the interim.

[The motion on Amendment 1 to CSHJR 9(STA) was left pending, as was discussion on Amendments 2 and 3.]

#### **ADJOURNMENT**

Number 2264

The House Judiciary Standing Committee was recessed at 10:12 p.m. to a call of the chair. [The meeting never was reconvened.]