

**SENATE BILL NO. 223**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/23/26

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to an appropriation limit; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 37.05.540(b) is amended to read:

4 (b) Except for appropriations to the permanent fund or for Alaska permanent  
5 fund dividends, appropriations to the budget reserve fund, appropriations of revenue  
6 bond proceeds, appropriations required to pay the principal and interest on general  
7 obligation bonds, and appropriations of money received from a nonstate source in trust  
8 for a specific purpose, including revenue of a public enterprise or public corporation  
9 of the state that issues revenue bonds, appropriations from the mental health trust  
10 settlement income account (AS 37.14.036), and appropriations made to the mental  
11 health trust fund (AS 37.14.031), appropriations from the treasury made in a fiscal  
12 year may not exceed appropriations made in the preceding fiscal year by more than  
13 **one** [FIVE] percent [PLUS THE CHANGE IN POPULATION AND INFLATION  
14 SINCE THE BEGINNING OF THE PRECEDING FISCAL YEAR]. For purposes of  
15 applying this limit an appropriation is considered to be made in the fiscal year in

1           which it is enacted and a reappropriation remains attributed to the fiscal year in which  
2           the original appropriation is enacted. [THE DETERMINATION OF THE CHANGE  
3           IN POPULATION FOR PURPOSES OF THIS SUBSECTION SHALL BE BASED  
4           ON AN ANNUAL ESTIMATE OF POPULATION BY THE DEPARTMENT OF  
5           LABOR AND WORKFORCE DEVELOPMENT. THE DETERMINATION OF THE  
6           CHANGE IN INFLATION FOR PURPOSES OF THIS SUBSECTION SHALL BE  
7           BASED ON THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS  
8           FOR ANCHORAGE PREPARED BY THE UNITED STATES BUREAU OF  
9           LABOR STATISTICS.] The amount of money received by the state that is subject to  
10          the appropriation limit includes the balance in the general fund carried forward from  
11          the preceding fiscal year.

12        \* **Sec. 2.** This Act takes effect July 1, 2027.