

Introduced: 4/9/79  
Referred: State Affairs and  
Finance

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1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 37

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 Proposing an amendment to the Consti-  
6 tution of the State of Alaska limit-  
7 ing tax levies by the state and its  
8 political subdivisions.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. Article IX, sec. 1, Constitution of the State of Alaska is  
11 amended by adding a new subsection to read:

12 (b) No tax may be levied by the State or its political subdivi-  
13 sions if the revenue estimated to be produced by the tax levy exceeds  
14 the limitation on taxation imposed in section 16 of this article.

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

17 SECTION 16. LIMITATION ON TAX COLLECTIONS. (a) The State or a  
18 political subdivision may not collect tax revenues for a fiscal year in  
19 excess of the amounts allowed under this section.

20 (b) For the first fiscal year beginning after the effective date  
21 of this section, the State or a political subdivision may not collect  
22 tax revenues which exceed the amount collected for fiscal year 1978,  
23 plus a change to reflect both

24 (1) the percentage of change of the population of the State  
25 or the political subdivision between the two fiscal years and

26 (2) the percentage of change of the cost-of-living index for  
27 the State or the political subdivision between the two fiscal years, as  
28 that index is defined by law.

29 (c) For each of the next six fiscal years, the State or a politi-

1 cal subdivision may not collect tax revenues which exceed the amount  
2 collected for the preceding fiscal year plus a change to reflect both

3 (1) the percentage of change of the population of the State  
4 or the political subdivision between the two fiscal years and

5 (2) one-half the percentage of change of the cost-of-living  
6 index for the State or the political subdivision between the two fiscal  
7 years, as that index is defined by law.

8 (d) For each subsequent fiscal year, the State or a political  
9 subdivision may not collect tax revenues which exceed the amount  
10 collected for the preceding fiscal year plus a change to reflect both

11 (1) the percentage of change of the population of the State  
12 or the political subdivision between the two fiscal years and

13 (2) the percentage of change of the cost-of-living index for  
14 the State or the political subdivision between the two fiscal years, as  
15 that index is defined by law.

16 (e) The legislature may by law provide that an exception to the  
17 limitations imposed by this section be placed on the ballot for approval  
18 or rejection by the voters at a general election. The proposition  
19 submitted to the voters shall specify the estimated per capita cost of  
20 the proposed increase or decrease. Approval by the voters of a proposi-  
21 tion submitted under this subsection authorizes the levy and collection  
22 of taxes at the increased or decreased rate, and the rate of levy  
23 approved becomes the base for the computation of a limitation for the  
24 next fiscal year in accordance with (b) through (d) of this section.

25 (f) The governing body of a political subdivision may by ordinance  
26 provide that an exception to the limitations imposed by this section be  
27 placed on the ballot at a regular municipal election. The ordinance  
28 submitted to the voters shall specify the estimated per capita cost of  
29 the proposed increase or decrease. Approval by the voters of an ordin-

1           ance submitted under this subsection authorizes the levy and collection  
2           of taxes at the increased or decreased rate, and the rate of levy  
3           approved becomes the base for the computation of a limitation for the  
4           next fiscal year in accordance with (b) through (d) of this section.

5           (g) The people may by the initiative propose and enact exceptions  
6           to the limitations imposed by this section. An exception proposed by  
7           initiative shall include the information required to be part of a pro-  
8           posed law or ordinance under (e) and (f) of this section.

9           (h) If taxes collected by the State or a political subdivision  
10          during a fiscal year exceed the limits on tax collections established in  
11          this section by more than six per cent, the total amount of the excess  
12          shall be refunded on a pro rata basis to the affected taxpayers. If  
13          taxes collected by the State or a political subdivision during a fiscal  
14          year exceed the limits on tax collections established in this section by  
15          six per cent or less, the excess shall not be refunded to the taxpayers,  
16          but the tax collection limitations established in this section for the  
17          next fiscal year shall be decreased by the amount of the excess collec-  
18          tions. This subsection shall be implemented by law.

19          \* Sec. 3. Article XI, sec. 7, Constitution of the State of Alaska, is  
20          amended to read:

21                 SECTION 7. RESTRICTIONS. The initiative shall not be used to  
22                 dedicate revenues, make or repeal appropriations, create courts, define  
23                 the jurisdiction of courts or prescribe their rules, or enact local or  
24                 special legislation. The referendum shall not be applied to dedications  
25                 of revenue, to appropriations, to local or special legislation, or to  
26                 laws necessary for the immediate preservation of the public peace,  
27                 health, or safety. The restrictions of this section do not apply to  
28                 an initiative or a referendum concerning tax limits voted on by the  
29                 people under Article IX, sec. 16 of this constitution.

1 \* Sec. 4. The amendment proposed by this resolution shall be placed  
2 before the voters of the state at the next general election in conformity  
3 with art. XIII, sec. 1, Constitution of the State of Alaska, and the election  
4 laws of the state.

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