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## **SENATE JOINT RESOLUTION NO. 4**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

#### BY SENATOR KAUFMAN

Introduced: 1/9/23 Referred: Prefiled

# A RESOLUTION

# Proposing amendments to the Constitution of the State of Alaska relating to an 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 amended to read:
5	Section 16. Appropriation Limit. Except for appropriations for Alaska
6	permanent fund dividends, <b>appropriations to the Alaska permanent fund</b> ,
7	appropriations of revenue <b>bond and general obligation</b> bond proceeds,
8	appropriations required to pay the principal and interest on revenue bonds and
9	general obligation bonds, <b>appropriations to a State account or fund that requires a</b>
10	subsequent appropriation from that account or fund as prescribed by law,
11	appropriations to meet a state of disaster declared by the governor as prescribed
12	by law, and appropriations of money received from a non-State source in trust for a
13	specific purpose, including revenues of a public enterprise or public corporation of the
14	State that issues revenue bonds, appropriations from the treasury made for a fiscal year
15	shall not exceed an amount equal to a percentage of the average of the value of the
16	real gross domestic product of the State as estimated by the federal bureau

1 responsible for economic analysis according to federal law, expressed in current 2 dollars, for the five fiscal years immediately preceding the prior fiscal year. The 3 percentage shall be established by law that is not a law enacted as an 4 appropriation bill or fourteen percent, whichever is less. Upon an affirmative 5 vote of two-thirds of the membership of each house, the legislature may 6 appropriate an additional amount for capital improvements in excess of the limit 7 under this section, except that the total amount appropriated shall not exceed an 8 amount equal to fourteen percent of the average calculated under this section. 9 The value of the real gross domestic product in this section shall not include 10 expenditures for government spending [\$2,500,000,000 BY MORE THAN THE 11 CUMULATIVE CHANGE, DERIVED FROM FEDERAL INDICES AS 12 PRESCRIBED BY LAW, IN POPULATION AND INFLATION SINCE JULY 1, 13 1981. WITHIN THIS LIMIT, AT LEAST ONE-THIRD SHALL BE RESERVED APPROPRIATIONS. 14 CAPITAL PROJECTS AND LOAN FOR THE 15 LEGISLATURE MAY EXCEED THIS LIMIT IN BILLS FOR APPROPRIATIONS 16 TO THE ALASKA PERMANENT FUND AND IN BILLS FOR 17 APPROPRIATIONS FOR CAPITAL PROJECTS. WHETHER OF BOND PROCEEDS OR OTHERWISE, IF EACH BILL IS APPROVED BY THE 18 19 GOVERNOR, OR PASSED BY AFFIRMATIVE VOTE OF THREE-FOURTHS OF 20 THE MEMBERSHIP OF THE LEGISLATURE OVER A VETO OR ITEM VETO, OR BECOMES LAW WITHOUT SIGNATURE, AND IS ALSO APPROVED BY 21 22 THE VOTERS AS PRESCRIBED BY LAW. EACH BILL FOR APPROPRIATIONS 23 FOR CAPITAL PROJECTS IN EXCESS OF THE LIMIT SHALL BE CONFINED 24 TO CAPITAL PROJECTS OF THE SAME TYPE, AND THE VOTERS SHALL, AS 25 PROVIDED BY LAW, BE INFORMED OF THE COST OF OPERATIONS AND 26 MAINTENANCE OF THE CAPITAL PROJECTS. NO OTHER APPROPRIATION 27 IN EXCESS OF THIS LIMIT MAY BE MADE EXCEPT TO MEET A STATE OF DISASTER DECLARED BY THE GOVERNOR AS PRESCRIBED BY LAW. THE 28 29 GOVERNOR SHALL CAUSE ANY UNEXPENDED AND UNAPPROPRIATED 30 BALANCE TO BE INVESTED SO AS TO YIELD COMPETITIVE MARKET RATES TO THE TREASURY]. 31

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

- Section 30. Application of Appropriation Limit. The 2024 amendment
   limiting appropriation increases applies to appropriations made for the fiscal year
   ending June 30, 2026, and thereafter.
- \* Sec. 3. The amendments proposed by this resolution shall be placed before the voters of
  the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
  State of Alaska, and the election laws of the state.