

CS FOR SPONSOR SUBSTITUTE FOR SENATE JOINT RESOLUTION NO. 4(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/17/24

Referred: Finance

Sponsor(s): SENATOR KAUFMAN

A RESOLUTION

1 **Proposing an amendment 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 amended to read:

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

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

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

1 **Section 30. Application of Appropriation Limit.** The 2024 amendment
2 limiting appropriation increases under art. IX, sec. 16, Constitution of the State of
3 Alaska, applies to appropriations made for the fiscal year ending June 30, 2026, and
4 thereafter.

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