

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.C.R. 2032

(Reference to printed resolution)

1 Strike everything after the resolving clause and insert:

2 "1. Article IX, section 17, Constitution of Arizona, is proposed to be  
3 amended as follows if approved by the voters and on proclamation of the  
4 Governor:

5 17. Economic estimates commission; appropriation limitation;  
6 powers and duties of commission; definitions

7 Section 17. ~~(1)~~ A. The economic estimates commission shall be  
8 established by law, with a membership of ~~not to exceed~~ three members,  
9 and shall determine and publish ~~prior to February 1~~ ON OR BEFORE  
10 JANUARY 1 of each year the ~~estimated total personal income for the~~  
11 ~~following fiscal year. By April 1 of each year the commission shall~~  
12 ~~determine and publish a final estimate of the total personal income for~~  
13 ~~the following fiscal year, which estimate shall be used in computing~~  
14 ~~the appropriations limit for the legislature. For the purposes of this~~  
15 ~~section, "total personal income" means the dollar amount that will be~~  
16 ~~reported as total income by persons for the state of Arizona by the~~  
17 ~~U.S. department of commerce or its successor agency~~ STABILIZED  
18 APPROPRIATION LIMIT FOR THE FOLLOWING FISCAL YEAR. THE COMMISSION  
19 SHALL DETERMINE THE STABILIZED APPROPRIATION LIMIT BY ADJUSTING THE  
20 AMOUNT OF ACTUAL STATE GENERAL FUND EXPENDITURES FOR FISCAL YEAR  
21 2011-2012 TO REFLECT THE CHANGES IN THE POPULATION OF THIS STATE AND  
22 THE COST OF LIVING.

23 ~~(2) For purposes of this section, "state revenues":~~

24 ~~(a) Include all monies, revenues, fees, fines, penalties, funds,~~  
25 ~~tuitions, property and receipts of any kind whatsoever received by or~~  
26 ~~for the account of the state or any of its agencies, departments,~~  
27 ~~offices, boards, commissions, authorities, councils and insitutions~~  
28 ~~except as provided in this subsection.~~

1           ~~(b) Do not include:~~

2           ~~(i) Any amounts or property received from the issuance or~~  
3 ~~incurrence of bonds or other lawful long-term obligations issued or~~  
4 ~~incurred for a specific purpose. For the purpose of this subdivision~~  
5 ~~long-term obligations shall not include warrants issued in the ordinary~~  
6 ~~course of operation or registered for payment by the state.~~

7           ~~(ii) Any amounts or property received as payment of dividends or~~  
8 ~~interest.~~

9           ~~(iii) Any amounts or property received by the state in the~~  
10 ~~capacity of trustee, custodian or agent.~~

11           ~~(iv) Any amounts received from employers for deposit in the~~  
12 ~~unemployment compensation fund or any successor fund.~~

13           ~~(v) Any amounts collected by the state for distribution to~~  
14 ~~counties, cities and towns without specific restrictions on the use of~~  
15 ~~the funds other than the restrictions included in section 14 of this~~  
16 ~~article.~~

17           ~~(vi) Any amounts received as grants, aid, contributions or gifts~~  
18 ~~of any type, except voluntary contributions or other contributions~~  
19 ~~received directly or indirectly in lieu of taxes.~~

20           ~~(vii) Any amounts received as the proceeds from the sale, lease~~  
21 ~~or redemption of property or as consideration for services or the use~~  
22 ~~of property.~~

23           ~~(viii) Any amounts received pursuant to a transfer during a~~  
24 ~~fiscal year from another agency, department, office, board, commission,~~  
25 ~~authority, council or institution of the state which were included as~~  
26 ~~state revenues for such fiscal year or which are excluded from state~~  
27 ~~revenue under other provisions of this subsection.~~

28           ~~(ix) Any amounts attributable to an increase in the rates of tax~~  
29 ~~subsequent to July 1, 1979 on vehicle users, gasoline and diesel fuel~~  
30 ~~which were levied on July 1, 1979.~~

31           ~~(x) Any amounts received during a fiscal year as refunds,~~  
32 ~~reimbursements or other recoveries of amounts appropriated which were~~

1 ~~applied against the appropriation limitation for such fiscal year or~~  
2 ~~which were excluded from state revenues under other provisions of this~~  
3 ~~subsection.~~

4 ~~(3)~~ B. The legislature shall not appropriate for any fiscal  
5 year state revenues in excess of ~~seven per cent of the total personal~~  
6 ~~income of the state for that fiscal year~~ THE LIMIT as determined by the  
7 economic estimates commission PURSUANT TO SUBSECTION A OF THIS SECTION.  
8 The limitation may be exceeded upon affirmative vote of two-thirds of  
9 the membership of each house of the legislature on each measure that  
10 appropriates amounts in excess of the limitation. ~~If the legislature~~  
11 ~~authorizes a specific dollar amount of appropriation for more than one~~  
12 ~~fiscal year, for the purpose of measuring such appropriation against~~  
13 ~~the appropriation limitation, the entire amount appropriated shall be~~  
14 ~~applied against the limitation in the first fiscal year during which~~  
15 ~~any expenditures are authorized, and in no other fiscal year.~~

16 C. A PAYMENT OF AN OBLIGATION OF A FISCAL YEAR THAT IS DEFERRED  
17 TO ANY SUBSEQUENT FISCAL YEAR SHALL BE APPLIED TO THE APPROPRIATION  
18 LIMIT OF THE YEAR IN WHICH THE OBLIGATION WAS INCURRED.

19 D. IF THE LEGISLATURE PROVIDES FOR THE TRANSFER OR DIVERSION OF  
20 MONIES, WHICH WOULD OTHERWISE HAVE BEEN CREDITED TO THE STATE GENERAL  
21 FUND, TO ANOTHER STATE FUND, THE LIMITATION ON STATE GENERAL FUND  
22 APPROPRIATIONS UNDER THIS SECTION SHALL BE COMMENSURATELY REDUCED. AN  
23 ADJUSTMENT PURSUANT TO THIS SUBSECTION SHALL BE MADE IN THE FIRST  
24 FISCAL YEAR OF THE TRANSFER OR DIVERSION AND SHALL REMAIN IN EFFECT AS  
25 LONG AS THE TRANSFER OR DIVERSION CONTINUES.

26 ~~(4)~~ E. In order to permit the transference of governmental  
27 functions or funding responsibilities between the federal and state  
28 governments and between the state government and its political  
29 subdivisions without abridging the purpose of this section to limit  
30 state appropriations ~~to a percentage of total personal income~~, the  
31 legislature shall provide for adjustments of the appropriation  
32 ~~percentage~~ limitation consistent with the following principles:

1           ~~(a)~~ 1. If the federal government assumes all or any part of the  
2 cost of providing a governmental function which the state previously  
3 funded in whole or in part, the appropriation limitation shall be  
4 commensurately decreased.

5           ~~(b)~~ 2. If the federal government requires the state to assume  
6 all or any part of the cost of providing a governmental function the  
7 appropriation limitation shall be commensurately increased.

8           ~~(c)~~ 3. If the state assumes all or any part of the cost of  
9 providing a governmental function and the state requires the political  
10 subdivision, which previously funded all or any part of the cost of the  
11 function to commensurately decrease its tax revenues, the appropriation  
12 ~~percentage~~ limitation shall be commensurately increased.

13           ~~(d)~~ 4. If a political subdivision assumes all or any part of  
14 the cost of providing a governmental function previously funded in  
15 whole or in part by the state, the appropriation ~~percentage~~ limitation  
16 shall be commensurately decreased.

17           Any adjustments made pursuant to this subsection shall be made  
18 for the first fiscal year of the assumption of the cost. Such  
19 adjustment shall remain in effect for each subsequent fiscal year.

20           F. THE APPROPRIATION LIMIT DETERMINED PURSUANT TO SUBSECTION A  
21 OF THIS SECTION DOES NOT APPLY TO ANY PAYMENTS MADE ON DEBT PRINCIPAL  
22 OR THE PAYMENT OF DEFERRED OBLIGATIONS.

23           G. BEGINNING IN 2022 AND EVERY TEN YEARS THEREAFTER, THE  
24 LEGISLATURE BY A MAJORITY VOTE MAY CHANGE THE BASE YEAR FROM WHICH THE  
25 ADJUSTMENT OF ACTUAL STATE GENERAL FUND APPROPRIATIONS IS MADE FROM  
26 FISCAL YEAR 2011-2012 TO ANY OTHER FISCAL YEAR, IF THE SUBSEQUENT BASE  
27 YEAR ADOPTED DOES NOT INCREASE THE STATE GENERAL FUND APPROPRIATION  
28 LIMIT MORE THAN THE LIMIT WOULD OTHERWISE HAVE INCREASED HAD THE BASE  
29 YEAR REMAINED AS FISCAL YEAR 2011-2012.

30           H. ANY LEGAL RESIDENT OF THIS STATE HAS STANDING TO ENFORCE THIS  
31 SECTION IN STATE COURT.

32           I. FOR THE PURPOSES OF THIS SECTION:

1           1. "APPROPRIATION" MEANS ANY AUTHORIZATION FOR THE PAYMENT OF  
2 STATE GENERAL FUND MONIES.

3           2. "COST OF LIVING" MEANS THE PRICE OF GOODS AND SERVICES AS  
4 MEASURED BY THE IMPLICIT PRICE DEFLATOR FOR THE GROSS NATIONAL PRODUCT  
5 OR ITS SUCCESSOR AS REPORTED BY THE UNITED STATES DEPARTMENT OF  
6 COMMERCE OR ITS SUCCESSOR AGENCY.

7           3. "POPULATION" MEANS THE PERIODIC CENSUS CONDUCTED BY THE  
8 UNITED STATES DEPARTMENT OF COMMERCE OR ITS SUCCESSOR AGENCY OR THE  
9 ANNUAL UPDATE OF THE CENSUS BY THE UNITED STATES DEPARTMENT OF COMMERCE  
10 OR ITS SUCCESSOR AGENCY.

11           2. The Secretary of State shall submit this proposition to the voters  
12 at the next general election as provided by article XXI, Constitution of  
13 Arizona."

14 Amend title to conform

JOHN KAVANAGH

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11:38 AM  
C: mjh