

State of Arizona  
Senate  
Fiftieth Legislature  
First Regular Session  
2011

## **SENATE CONCURRENT RESOLUTION 1019**

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,  
SECTION 17, CONSTITUTION OF ARIZONA; RELATING TO STATE APPROPRIATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the Senate of the State of Arizona, the House of  
2 Representatives concurring:

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

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

8 Section 17. (1) The economic estimates commission shall  
9 be established by law, with a membership of not to exceed three  
10 members, and shall determine and publish prior to February 1 of  
11 each year the estimated total personal income for the following  
12 fiscal year. By April 1 of each year the commission shall  
13 determine and publish a final estimate of the total personal  
14 income for the following fiscal year, which estimate shall be  
15 used in computing the appropriations limit for the legislature.  
16 For the purposes of this section, "total personal income" means  
17 the dollar amount that will be reported as total income by  
18 persons for the state of Arizona by the ~~U.S.~~ UNITED STATES  
19 department of commerce or its successor agency.

20 (2) For THE purposes of this section, "state revenues":

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

27 (b) Do not include:

28 (i) Any amounts or property received from the issuance or  
29 incurrence of bonds or other lawful long-term obligations issued  
30 or incurred for a specific purpose. For the purpose of this  
31 subdivision long-term obligations shall not include warrants  
32 issued in the ordinary course of operation or registered for  
33 payment by the state.

34 (ii) Any amounts or property received as payment of  
35 dividends or interest.

36 (iii) Any amounts or property received by the state in  
37 the capacity of trustee, custodian or agent.

38 (iv) Any amounts received from employers for deposit in  
39 the unemployment compensation fund or any successor fund.

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

1 (vi) Any amounts received as grants, aid, contributions  
2 or gifts of any type, except voluntary contributions or other  
3 contributions received directly or indirectly in lieu of taxes.

4 (vii) Any amounts received as the proceeds from the sale,  
5 lease or redemption of property or as consideration for services  
6 or the use of property.

7 (viii) Any amounts received pursuant to a transfer during  
8 a fiscal year from another agency, department, office, board,  
9 commission, authority, council or institution of the state which  
10 were included as state revenues for such fiscal year or which  
11 are excluded from state revenue under other provisions of this  
12 subsection.

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

16 (x) Any amounts received during a fiscal year as refunds,  
17 reimbursements or other recoveries of amounts appropriated which  
18 were applied against the appropriation limitation for such  
19 fiscal year or which were excluded from state revenues under  
20 other provisions of this subsection.

21 (3) THROUGH FISCAL YEAR 2012-2013, the legislature shall  
22 not appropriate for any fiscal year state revenues in excess of  
23 seven per cent of the total personal income of the state for  
24 that fiscal year as determined by the economic estimates  
25 commission. FOR FISCAL YEARS BEGINNING AFTER JUNE 30, 2013, THE  
26 LEGISLATURE SHALL NOT APPROPRIATE FOR ANY FISCAL YEAR STATE  
27 REVENUES IN EXCESS OF SIX AND FOUR-TENTHS PER CENT OF THE TOTAL  
28 PERSONAL INCOME OF THE STATE FOR THAT FISCAL YEAR, WITHOUT ANY  
29 ADJUSTMENT PURSUANT TO SUBSECTION (4) OF THIS SECTION FOR  
30 TRANSFERENCE OF GOVERNMENTAL FUNCTIONS OR FUNDING  
31 RESPONSIBILITIES THAT OCCURRED BEFORE FISCAL YEAR 2013-2014.  
32 The limitation may be exceeded upon affirmative vote of  
33 two-thirds of the membership of each house of the legislature on  
34 each measure that appropriates amounts in excess of the  
35 limitation. If the legislature authorizes a specific dollar  
36 amount of appropriation for more than one fiscal year, for the  
37 purpose of measuring such appropriation against the  
38 appropriation limitation, the entire amount appropriated shall  
39 be applied against the limitation in the first fiscal year  
40 during which any expenditures are authorized, and in no other  
41 fiscal year. ANY RESIDENT OF THIS STATE MAY BRING A CIVIL  
42 ACTION IN SUPERIOR COURT ON BEHALF OF ALL TAXPAYERS IN THIS  
43 STATE AGAINST THIS STATE TO ENFORCE COMPLIANCE WITH THE  
44 REQUIREMENTS OF THIS SUBSECTION. THE SUPERIOR COURT SHALL HAVE  
45 JURISDICTION TO ORDER COMPLIANCE WITH THIS SUBSECTION AND MAY

1           AWARD COSTS OF LITIGATION, INCLUDING REASONABLE ATTORNEY FEES,  
2           TO ANY PARTY IF THE COURT DETERMINES THE AWARD IS APPROPRIATE,  
3           INCLUDING THIS STATE IN THE CASE OF A FRIVOLOUS ACTION.

4           (4) In order to permit the transference of governmental  
5           functions or funding responsibilities between the federal and  
6           state governments and between the state government and its  
7           political subdivisions without abridging the purpose of this  
8           section to limit state appropriations to a percentage of total  
9           personal income, the legislature shall provide for adjustments  
10          of the appropriation percentage limitation consistent with the  
11          following principles:

12          (a) If the federal government assumes all or any part of  
13          the cost of providing a governmental function which the state  
14          previously funded in whole or in part, the appropriation  
15          limitation shall be commensurately decreased.

16          (b) If the federal government requires the state to  
17          assume all or any part of the cost of providing a governmental  
18          function the appropriation limitation shall be commensurately  
19          increased.

20          (c) If the state assumes all or any part of the cost of  
21          providing a governmental function and the state requires the  
22          political subdivision, which previously funded all or any part  
23          of the cost of the function to commensurately decrease its tax  
24          revenues, the appropriation percentage limitation shall be  
25          commensurately increased.

26          (d) If a political subdivision assumes all or any part of  
27          the cost of providing a governmental function previously funded  
28          in whole or in part by the state, the appropriation percentage  
29          limitation shall be commensurately decreased.

30          Any adjustments made pursuant to this subsection shall be  
31          made for the first fiscal year of the assumption of the cost.  
32          Such adjustment shall remain in effect for each subsequent  
33          fiscal year.

34          2. The Secretary of State shall submit this proposition to the voters  
35          at the next general election as provided by article XXI, Constitution of  
36          Arizona.