

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO S.C.R. 1015  
(Reference to printed resolution)

Strike everything after the resolving clause and insert:

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

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

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

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

(a) Include all monies, revenues, fees, fines, penalties, funds, tuitions, property and receipts of any kind whatsoever received by or for the account of the state or any of its agencies, departments, offices, boards, commissions, authorities, councils and ~~insitutions~~ INSTITUTIONS 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  
4 or incurred for a specific purpose. For the purpose of this  
5 subdivision long-term obligations shall not include warrants  
6 issued in the ordinary course of operation or registered for  
7 payment by the state.

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

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

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

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

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

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

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

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

1           (x) Any amounts received during a fiscal year as refunds,  
2           reimbursements or other recoveries of amounts appropriated which  
3           were applied against the appropriation limitation for such fiscal  
4           year or which were excluded from state revenues under other  
5           provisions of this subsection.

6           (3) THROUGH FISCAL YEAR 2010-2011, the legislature shall  
7           not appropriate for any fiscal year state revenues in excess of  
8           seven per cent of the total personal income of the state for that  
9           fiscal year as determined by the economic estimates commission.  
10          FOR FISCAL YEARS BEGINNING AFTER JUNE 30, 2011, THE LEGISLATURE  
11          SHALL NOT APPROPRIATE FOR ANY FISCAL YEAR STATE REVENUES IN  
12          EXCESS OF SIX AND FOUR-TENTHS PER CENT OF THE TOTAL PERSONAL  
13          INCOME OF THE STATE FOR THAT FISCAL YEAR, WITHOUT ANY ADJUSTMENT  
14          PURSUANT TO SUBSECTION (5) OF THIS SECTION FOR TRANSFERENCE OF  
15          GOVERNMENTAL FUNCTIONS OR FUNDING RESPONSIBILITIES THAT OCCURRED  
16          BEFORE FISCAL YEAR 2011-2012. The limitation may be exceeded  
17          upon affirmative vote of two-thirds of the membership of each  
18          house of the legislature on each measure that appropriates  
19          amounts in excess of the limitation. If the legislature  
20          authorizes a specific dollar amount of appropriation for more  
21          than one fiscal year, for the purpose of measuring such  
22          appropriation against the appropriation limitation, the entire  
23          amount appropriated shall be applied against the limitation in  
24          the first fiscal year during which any expenditures are  
25          authorized, and in no other fiscal year.

26          (4) IF STATE REVENUE COLLECTIONS IN ANY FISCAL YEAR EXCEED  
27          THE MAXIMUM ALLOWABLE AMOUNT OF APPROPRIATIONS UNDER SUBSECTION  
28          (3) OF THIS SECTION FOR THAT FISCAL YEAR, THE EXCESS REVENUES  
29          SHALL BE PAID AS A REFUND TO PERSONS WHO FILED INDIVIDUAL INCOME  
30          TAX RETURNS IN THAT FISCAL YEAR. REFUNDS UNDER THIS SUBSECTION  
31          MUST BE PAID IN A MANNER PRESCRIBED BY LAW WITHIN FOUR MONTHS  
32          AFTER THE END OF THE FISCAL YEAR. AN APPROPRIATION ACT IS NOT

1           NECESSARY TO AUTHORIZE PAYMENT OF REFUNDS UNDER THIS SUBSECTION.  
2           THE LEGISLATURE MAY LIMIT REFUNDS UNDER THIS SUBSECTION TO  
3           AMOUNTS OF TEN DOLLARS OR MORE.

4           ~~(4)~~ (5) In order to permit the transference of  
5           governmental functions or funding responsibilities between the  
6           federal and state governments and between the state government  
7           and its political subdivisions without abridging the purpose of  
8           this section to limit state appropriations to a percentage of  
9           total personal income, the legislature shall provide for  
10          adjustments of the appropriation percentage limitation consistent  
11          with the 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 assume  
17               all or any part of the cost of providing a governmental function  
18               the appropriation limitation shall be commensurately increased.

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

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

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

1                   2. The Secretary of State shall submit this proposition to the voters  
2           at the next general election as provided by article XXI, Constitution of  
3           Arizona."  
4 Amend title to conform

RUSSELL PEARCE

scr1015rp  
01/26/2010  
08:37 AM  
C: mjh