

Assembly Constitutional Amendment

No. 8

Introduced by Assembly Member Olsen

December 6, 2010

Assembly Constitutional Amendment No. 8—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending, repealing, and adding Section 12 of Article IV thereof, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

ACA 8, as introduced, Olsen. State budget.

The California Constitution requires the Governor to submit to the Legislature, within the first 10 days of each calendar year, a budget for the ensuing fiscal year containing itemized statements for recommended expenditures and estimated revenues. If the recommended expenditures exceed the estimated revenues, then the Governor is required to recommend the sources from which additional revenues should be provided.

This measure would require the Governor to recommend, in addition to additional revenues, any spending reductions to be made to balance expenditures with estimated revenues in the ensuing fiscal year. This measure would also require the Governor, commencing in 2013, to submit to the Legislature, concurrent with the submission of the annual budget for the ensuing fiscal year, a statement of intent regarding the budget for the following fiscal year that projects the estimated expenditures and revenues for that fiscal year. This measure would also prohibit the Governor from submitting a statement of intent regarding the budget for the following fiscal year in which the estimated expenditures exceed the estimated revenues for that fiscal year.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

WHEREAS, It is the intent of the Legislature to prohibit the adoption of a budget that would leave the state with a deficit in the succeeding year unless specific solutions are also provided to eliminate the deficit; and

WHEREAS, It is the intent of the Legislature to encourage more long-term budget planning by the Legislature in order to stabilize the budget process; now, therefore, be it

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2011–12 Regular Session, commencing on the sixth day of December 2010, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California that the Constitution of the State be amended as follows:

First—That Section 12 of Article IV thereof is amended to read:

SEC. 12. (a) Within the first 10 days of each calendar year, the Governor shall submit to the Legislature, with an explanatory message, a budget for the ensuing fiscal year containing itemized statements for recommended state expenditures and estimated state revenues. If recommended expenditures exceed estimated revenues, the Governor shall recommend the sources from which ~~the~~ additional revenues should be provided, *or the spending reductions to be made, or both, to balance expenditures with estimated revenues.*

(b) The Governor and the Governor-elect may require a state agency, officer or employee to furnish whatever information is deemed necessary to prepare the budget.

(c) (1) The budget shall be accompanied by a budget bill itemizing recommended expenditures.

(2) The budget bill shall be introduced immediately in each house by the persons chairing the committees that consider the budget.

(3) The Legislature shall pass the budget bill by midnight on June 15 of each year.

(4) Until the budget bill has been enacted, the Legislature shall not send to the Governor for consideration any bill appropriating funds for expenditure during the fiscal year for which the budget bill is to be enacted, except emergency bills recommended by the

1 Governor or appropriations for the salaries and expenses of the
2 Legislature.

3 (d) No bill except the budget bill may contain more than one
4 item of appropriation, and that for one certain, expressed purpose.
5 Appropriations from the General Fund of the State, except
6 appropriations for the public schools and appropriations in the
7 budget bill and in other bills providing for appropriations related
8 to the budget bill, are void unless passed in each house by rollcall
9 vote entered in the journal, two-thirds of the membership
10 concurring.

11 (e) (1) Notwithstanding any other provision of law or of this
12 Constitution, the budget bill and other bills providing for
13 appropriations related to the budget bill may be passed in each
14 house by rollcall vote entered in the journal, a majority of the
15 membership concurring, to take effect immediately upon being
16 signed by the Governor or upon a date specified in the legislation.
17 Nothing in this subdivision shall affect the vote requirement for
18 appropriations for the public schools contained in subdivision (d)
19 of this section and in subdivision (b) of Section 8 of this article.

20 (2) For purposes of this section, “other bills providing for
21 appropriations related to the budget bill” shall consist only of bills
22 identified as related to the budget in the budget bill passed by the
23 Legislature.

24 (f) The Legislature may control the submission, approval, and
25 enforcement of budgets and the filing of claims for all state
26 agencies.

27 (g) For the 2004–05 fiscal year, or any subsequent fiscal year,
28 the Legislature may not send to the Governor for consideration,
29 nor may the Governor sign into law, a budget bill that would
30 appropriate from the General Fund, for that fiscal year, a total
31 amount that, when combined with all appropriations from the
32 General Fund for that fiscal year made as of the date of the budget
33 bill’s passage, and the amount of any General Fund moneys
34 transferred to the Budget Stabilization Account for that fiscal year
35 pursuant to Section 20 of Article XVI, exceeds General Fund
36 revenues for that fiscal year estimated as of the date of the budget
37 bill’s passage. That estimate of General Fund revenues shall be
38 set forth in the budget bill passed by the Legislature.

39 (h) Notwithstanding any other provision of law or of this
40 Constitution, including subdivision (c) of this section, Section 4

1 of this article, and Sections 4 and 8 of Article III, in any year in
2 which the budget bill is not passed by the Legislature by midnight
3 on June 15, there shall be no appropriation from the current budget
4 or future budget to pay any salary or reimbursement for travel or
5 living expenses for Members of the Legislature during any regular
6 or special session for the period from midnight on June 15 until
7 the day that the budget bill is presented to the Governor. No salary
8 or reimbursement for travel or living expenses forfeited pursuant
9 to this subdivision shall be paid retroactively.

10 *(i) This section shall remain in effect only until December 31,*
11 *2012, and as of that date is repealed.*

12 Second—That Section 12 is added to Article IV thereof, to read:

13 SEC. 12. (a) (1) Within the first 10 days of each calendar
14 year, the Governor shall submit to the Legislature, with an
15 explanatory message, a budget for the ensuing fiscal year
16 containing itemized statements for recommended state expenditures
17 and estimated state revenues. If recommended expenditures exceed
18 estimated revenues, the Governor shall recommend the sources
19 from which additional revenues should be provided, or the spending
20 reductions to be made, or both, to balance expenditures with
21 estimated revenues.

22 (2) The Governor shall also submit to the Legislature, concurrent
23 with the submission of the budget for the ensuing fiscal year, a
24 statement of intent regarding the budget for the following fiscal
25 year that projects the estimated expenditures and revenues for that
26 fiscal year. If the estimated expenditures exceed the estimated
27 revenues, the Governor shall recommend the sources from which
28 additional revenues should be provided, or the spending reductions
29 to be made, or both, to balance the estimated expenditures with
30 the estimated revenues for the following fiscal year.

31 (b) The Governor and the Governor-elect may require a state
32 agency, officer or employee to furnish whatever information is
33 deemed necessary to prepare the budget.

34 (c) (1) The budget shall be accompanied by a budget bill
35 itemizing recommended expenditures.

36 (2) The budget bill shall be introduced immediately in each
37 house by the persons chairing the committees that consider the
38 budget.

39 (3) The Legislature shall pass the budget bill by midnight on
40 June 15 of each year.

1 (4) Until the budget bill has been enacted, the Legislature shall
2 not send to the Governor for consideration any bill appropriating
3 funds for expenditure during the fiscal year for which the budget
4 bill is to be enacted, except emergency bills recommended by the
5 Governor or appropriations for the salaries and expenses of the
6 Legislature.

7 (d) No bill except the budget bill may contain more than one
8 item of appropriation, and that for one certain, expressed purpose.
9 Appropriations from the General Fund of the State, except
10 appropriations for the public schools and appropriations in the
11 budget bill and in other bills providing for appropriations related
12 to the budget bill, are void unless passed in each house by rollcall
13 vote entered in the journal, two-thirds of the membership
14 concurring.

15 (e) (1) Notwithstanding any other provision of law or of this
16 Constitution, the budget bill and other bills providing for
17 appropriations related to the budget bill may be passed in each
18 house by rollcall vote entered in the journal, a majority of the
19 membership concurring, to take effect immediately upon being
20 signed by the Governor or upon a date specified in the legislation.
21 Nothing in this subdivision shall affect the vote requirement for
22 appropriations for the public schools contained in subdivision (d)
23 of this section and in subdivision (b) of Section 8 of this article.

24 (2) For purposes of this section, “other bills providing for
25 appropriations related to the budget bill” shall consist only of bills
26 identified as related to the budget in the budget bill passed by the
27 Legislature.

28 (f) The Legislature may control the submission, approval, and
29 enforcement of budgets and the filing of claims for all state
30 agencies.

31 (g) For the 2004–05 fiscal year, or any subsequent fiscal year,
32 the Legislature may not send to the Governor for consideration,
33 nor may the Governor sign into law, a budget bill that would
34 appropriate from the General Fund, for that fiscal year, a total
35 amount that, when combined with all appropriations from the
36 General Fund for that fiscal year made as of the date of the budget
37 bill’s passage, and the amount of any General Fund moneys
38 transferred to the Budget Stabilization Account for that fiscal year
39 pursuant to Section 20 of Article XVI, exceeds General Fund
40 revenues for that fiscal year estimated as of the date of the budget

1 bill's passage. That estimate of General Fund revenues shall be
2 set forth in the budget bill passed by the Legislature.

3 (h) Notwithstanding any other provision of law or of this
4 Constitution, including subdivision (c) of this section, Section 4
5 of this article, and Sections 4 and 8 of Article III, in any year in
6 which the budget bill is not passed by the Legislature by midnight
7 on June 15, there shall be no appropriation from the current budget
8 or future budget to pay any salary or reimbursement for travel or
9 living expenses for Members of the Legislature during any regular
10 or special session for the period from midnight on June 15 until
11 the day that the budget bill is presented to the Governor. No salary
12 or reimbursement for travel or living expenses forfeited pursuant
13 to this subdivision shall be paid retroactively.

14 Third—That Section 12 of Article IV as added by this measure
15 shall become operative on January 1, 2013.