

AMENDED IN ASSEMBLY APRIL 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

Assembly Constitutional Amendment

No. 8

Introduced by Assembly Member Olsen

(Principal coauthors: Assembly Members Galgiani and Grove)

*(Coauthors: Assembly Members Achadjian, Fletcher, Halderman,
Jeffries, Nielsen, Silva, Smyth, Valadao, and Wagner)*

(Coauthors: Senators Cannella and Harman)

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 amended, 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, *instead*, require, *if the recommended expenditures exceed the estimated revenues in the Governor's budget, that the Governor to recommend, in addition to additional revenues, any spending reductions to be made make specific revenue proposals or proposals for specific spending reductions, or both*, 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. If the estimated expenditures exceed the estimated revenues in the above-described statement of intent regarding the following fiscal year, this measure would require the Governor to make specific revenue proposals or proposals for specific spending reductions, or both, to balance expenditures with the estimated revenues for that fiscal year.~~

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

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

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

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

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

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

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

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

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

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

11 (4) Until the budget bill has been enacted, the Legislature shall
12 not send to the Governor for consideration any bill appropriating
13 funds for expenditure during the fiscal year for which the budget
14 bill is to be enacted, except emergency bills recommended by the
15 Governor or appropriations for the salaries and expenses of the
16 Legislature.

17 (d) No bill except the budget bill may contain more than one
18 item of appropriation, and that for one certain, expressed purpose.
19 Appropriations from the General Fund of the State, except
20 appropriations for the public schools and appropriations in the
21 budget bill and in other bills providing for appropriations related
22 to the budget bill, are void unless passed in each house by rollcall
23 vote entered in the journal, two-thirds of the membership
24 concurring.

25 (e) (1) Notwithstanding any other provision of law or of this
26 Constitution, the budget bill and other bills providing for
27 appropriations related to the budget bill may be passed in each
28 house by rollcall vote entered in the journal, a majority of the
29 membership concurring, to take effect immediately upon being
30 signed by the Governor or upon a date specified in the legislation.
31 Nothing in this subdivision shall affect the vote requirement for
32 appropriations for the public schools contained in subdivision (d)
33 of this section and in subdivision (b) of Section 8 of this article.

34 (2) For purposes of this section, “other bills providing for
35 appropriations related to the budget bill” shall consist only of bills
36 identified as related to the budget in the budget bill passed by the
37 Legislature.

38 (f) The Legislature may control the submission, approval, and
39 enforcement of budgets and the filing of claims for all state
40 agencies.

1 (g) For the 2004–05 fiscal year, or any subsequent fiscal year,
2 the Legislature may not send to the Governor for consideration,
3 nor may the Governor sign into law, a budget bill that would
4 appropriate from the General Fund, for that fiscal year, a total
5 amount that, when combined with all appropriations from the
6 General Fund for that fiscal year made as of the date of the budget
7 bill’s passage, and the amount of any General Fund moneys
8 transferred to the Budget Stabilization Account for that fiscal year
9 pursuant to Section 20 of Article XVI, exceeds General Fund
10 revenues for that fiscal year estimated as of the date of the budget
11 bill’s passage. That estimate of General Fund revenues shall be
12 set forth in the budget bill passed by the Legislature.

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

24 (i) This section shall remain in effect only until December 31,
25 2012, and as of that date is repealed.

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

27 SEC. 12. (a) (1) Within the first 10 days of each calendar
28 year, the Governor shall submit to the Legislature, with an
29 explanatory message, a budget for the ensuing fiscal year
30 containing itemized statements for recommended state expenditures
31 and estimated state revenues. If recommended expenditures exceed
32 estimated revenues, the Governor shall ~~recommend the sources~~
33 ~~from which additional revenues should be provided, make specific~~
34 ~~revenue proposals or the proposals for specific~~ spending reductions
35 ~~to be made~~, or both, to balance expenditures with estimated
36 revenues.

37 (2) The Governor shall also submit to the Legislature, concurrent
38 with the submission of the budget for the ensuing fiscal year, a
39 statement of intent regarding the budget for the following fiscal
40 year that projects the estimated expenditures and revenues for that

1 fiscal year. If the estimated expenditures exceed the estimated
2 revenues, the Governor shall ~~recommend the sources from which~~
3 ~~additional revenues should be provided,~~ *make specific revenue*
4 *proposals* or ~~the proposals for specific~~ spending reductions ~~to be~~
5 ~~made~~, or both, to balance the estimated expenditures with the
6 estimated revenues for the following fiscal year.

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

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

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

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

17 (4) Until the budget bill has been enacted, the Legislature shall
18 not send to the Governor for consideration any bill appropriating
19 funds for expenditure during the fiscal year for which the budget
20 bill is to be enacted, except emergency bills recommended by the
21 Governor or appropriations for the salaries and expenses of the
22 Legislature.

23 (d) No bill except the budget bill may contain more than one
24 item of appropriation, and that for one certain, expressed purpose.
25 Appropriations from the General Fund of the State, except
26 appropriations for the public schools and appropriations in the
27 budget bill and in other bills providing for appropriations related
28 to the budget bill, are void unless passed in each house by rollcall
29 vote entered in the journal, two-thirds of the membership
30 concurring.

31 (e) (1) Notwithstanding any other provision of law or of this
32 Constitution, the budget bill and other bills providing for
33 appropriations related to the budget bill may be passed in each
34 house by rollcall vote entered in the journal, a majority of the
35 membership concurring, to take effect immediately upon being
36 signed by the Governor or upon a date specified in the legislation.
37 Nothing in this subdivision shall affect the vote requirement for
38 appropriations for the public schools contained in subdivision (d)
39 of this section and in subdivision (b) of Section 8 of this article.

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

5 (f) The Legislature may control the submission, approval, and
6 enforcement of budgets and the filing of claims for all state
7 agencies.

8 (g) For the 2004–05 fiscal year, or any subsequent fiscal year,
9 the Legislature may not send to the Governor for consideration,
10 nor may the Governor sign into law, a budget bill that would
11 appropriate from the General Fund, for that fiscal year, a total
12 amount that, when combined with all appropriations from the
13 General Fund for that fiscal year made as of the date of the budget
14 bill’s passage, and the amount of any General Fund moneys
15 transferred to the Budget Stabilization Account for that fiscal year
16 pursuant to Section 20 of Article XVI, exceeds General Fund
17 revenues for that fiscal year estimated as of the date of the budget
18 bill’s passage. That estimate of General Fund revenues shall be
19 set forth in the budget bill passed by the Legislature.

20 (h) Notwithstanding any other provision of law or of this
21 Constitution, including subdivision (c) of this section, Section 4
22 of this article, and Sections 4 and 8 of Article III, in any year in
23 which the budget bill is not passed by the Legislature by midnight
24 on June 15, there shall be no appropriation from the current budget
25 or future budget to pay any salary or reimbursement for travel or
26 living expenses for Members of the Legislature during any regular
27 or special session for the period from midnight on June 15 until
28 the day that the budget bill is presented to the Governor. No salary
29 or reimbursement for travel or living expenses forfeited pursuant
30 to this subdivision shall be paid retroactively.

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