

AMENDED IN ASSEMBLY MARCH 30, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

Assembly Constitutional Amendment

No. 26

**Introduced by Assembly Members Torlakson and Scott
(Principal coauthors: Assembly Members Cardoza, Thomson,
Bowen, *Figueroa*, Keeley, *Kuykendall*, Lempert,
Strom-Martin, and Wayne)**

July 21, 1997

Assembly Constitutional Amendment No. 26—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending subdivision (c) of Section 8 of, and by amending Section 12 of, Article IV thereof, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

ACA 26, as amended, Torlakson. Budget Bill: passage.

(1) The California Constitution requires the Legislature to pass the Budget Bill for the ensuing fiscal year by midnight on June 15.

This measure would amend the California Constitution to require that *the Legislature pass the Budget Bill for the ensuing fiscal year by midnight on June 25, and that the Governor sign or veto the Budget Bill by June 30 or five days after the bill is presented to the Governor, whichever date is later. The measure would also provide that if the Budget Bill is not passed before midnight on June 30, any salary or July 4, any reimbursement for travel or living expenses for each Member of the Legislature shall be forfeited for the period*

from midnight on ~~June 30~~ July 4 until the date that the Budget Bill is passed. The measure also would include the amount of that forfeiture in the maximum amount permitted under the California Constitution for that fiscal year for the total aggregate expenditures of the Legislature, as specified.

(2) Existing provisions of the California Constitution provide that statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the state, and urgency statutes shall go into effect immediately upon their enactment.

This measure would also provide that a statute enacting a budget bill shall go into effect immediately upon its enactment.

(3) Existing provisions of the California Constitution provide that appropriations from the General Fund, except appropriations for the public schools, are void unless passed in each house by rollcall vote entered in the journal, $\frac{2}{3}$ of the membership concurring.

This measure would additionally exempt appropriations in the Budget Bill from that $\frac{2}{3}$ vote requirement.

(4) *The existing California Constitution does not prohibit the total of all state expenditures authorized under the Budget Act for any fiscal year from exceeding the total of all state revenues anticipated for that fiscal year.*

This measure would require that the total of all expenditures that are authorized to be made from the General Fund for any fiscal year under the Budget Act and any other statute, as specified, combined with the total of all General Fund reserves that are authorized to be established by the state for that fiscal year, and any General Fund deficit remaining from the preceding fiscal year, not exceed the total of all revenues and other resources that are available to the state for General Fund purposes for that fiscal year.

(5) *The measure would require the Legislative Analyst by May 15 of each year to present to the Legislature his or her projections of the total amount of revenues and expenditures for the ensuing fiscal year.*

(6) This measure would specify that the changes to the California Constitution made by this measure would apply to



the budget and the Budget Bill for the 1999–2000 fiscal year and each subsequent fiscal year.

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

1 *Resolved by the Assembly, the Senate concurring,* That
2 the Legislature of the State of California at its 1997–98
3 Regular Session commencing on the second day of
4 December, 1996, two-thirds of the membership of each
5 house concurring, hereby proposes to the people of the
6 State of California that the Constitution of the State be
7 amended as follows:

8 First—That subdivision (c) of Section 8 of Article IV is
9 amended to read:

10 (c) (1) Except as provided in paragraphs (2) and (3)
11 of this subdivision, a statute enacted at a regular session
12 shall go into effect on January 1 next following a 90-day
13 period from the date of enactment of the statute and a
14 statute enacted at a special session shall go into effect on
15 the 91st day after adjournment of the special session at
16 which the bill was passed.

17 (2) A statute, other than a statute establishing or
18 changing boundaries of any legislative, congressional, or
19 other election district, enacted by a bill passed by the
20 Legislature on or before the date the Legislature adjourns
21 for a joint recess to reconvene in the second calendar year
22 of the biennium of the legislative session, and in the
23 possession of the Governor after that date, shall go into
24 effect on January 1 next following the enactment date of
25 the statute unless, before January 1, a copy of a
26 referendum petition affecting the statute is submitted to
27 the Attorney General pursuant to subdivision (d) of
28 Section 10 of Article II, in which event the statute shall go
29 into effect on the 91st day after the enactment date unless
30 the petition has been presented to the Secretary of State
31 pursuant to subdivision (b) of Section 9 of Article II.

32 (3) Statutes calling elections, statutes providing for tax
33 levies or appropriations for the usual current expenses of
34 the State, statutes enacting a budget bill, and urgency



1 statutes shall go into effect immediately upon their
2 enactment.

3 Second—That Section 12 of Article IV is amended to
4 read:

5 SEC. 12. (a) Within the first 10 days of each calendar
6 year, the Governor shall submit to the Legislature, with
7 an explanatory message, a budget for the ensuing fiscal
8 year containing itemized statements for recommended
9 state expenditures and estimated state revenues. If
10 recommended expenditures exceed estimated revenues,
11 the Governor shall recommend the sources from which
12 the additional revenues should be provided.

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

17 (c) (1) The budget shall be accompanied by a budget
18 bill itemizing recommended expenditures. The bill shall
19 be introduced immediately in each house by the persons
20 chairing the committees that consider appropriations.

21 ~~The~~

22 (2) *The Legislature shall pass the budget bill by*
23 *midnight on ~~June 15 of each year. Until the budget bill has~~*
24 *~~been~~ June 25 of each year. Notwithstanding subdivision*
25 *(b) of Section 10 of this article, the Governor shall sign the*
26 *budget bill or return it to the Legislature by June 30 or*
27 *five days after the budget bill is presented to the*
28 *Governor, whichever date is later.*

29 (3) *Until the budget bill has been enacted, the*
30 *Legislature may not send to the Governor for*
31 *consideration any bill appropriating funds for*
32 *expenditure during the fiscal year for which the budget*
33 *bill is to be enacted, except emergency bills*
34 *recommended by the Governor or appropriations for the*
35 *salaries and expenses of the Legislature, not including*
36 *salaries, or travel or living expenses, of Members of the*
37 *Legislature.*

38 (d) No bill except the budget bill may contain more
39 than one item of appropriation, and that for one certain,
40 expressed purpose. Appropriations from the General



1 Fund of the State, except appropriations for the public
2 schools or appropriations made in the budget bill, are void
3 unless passed in each house by rollcall vote entered in the
4 journal, two-thirds of the membership concurring.

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

8 (f) Notwithstanding Sections 4 and 8 of Article III and
9 Section 4 of this article, in any year in which the budget
10 bill is not passed by midnight on ~~June 30~~ July 4, each
11 Member of the Legislature shall forfeit any ~~salary or~~
12 reimbursement for travel or living expenses for the
13 period from midnight on ~~June 30~~ July 4 until the date that
14 the budget bill is passed. No forfeited ~~salary or travel and~~
15 ~~travel or~~ living expenses may be paid retroactively. The
16 total amount of ~~salary and~~ travel and living expenses
17 forfeited under this subdivision during any fiscal year
18 shall be counted as part of the total aggregate
19 expenditures of the Legislature for that fiscal year for
20 purposes of Section 7.5. For purposes of this subdivision,
21 the passage of a budget bill is deemed to occur when a bill
22 is passed that would make appropriations for the support
23 of the government of the State for the entire fiscal year.

24 (g) *The total of all expenditures that are authorized to*
25 *be made from the General Fund of the State for any fiscal*
26 *year by the budget bill and any other statute, combined*
27 *with the total of all General Fund reserves that are*
28 *authorized by the State for that fiscal year, and any deficit*
29 *in the General Fund remaining from the preceding fiscal*
30 *year, may not exceed the total of all revenues and other*
31 *resources, including reserves for prior years, that are*
32 *estimated to be available to the State for General Fund*
33 *purposes for that fiscal year. The total amount of those*
34 *General Fund expenditures and reserves authorized by*
35 *the budget bill and any other statute for that fiscal year,*
36 *as of the date of enactment of the budget bill, together*
37 *with any deficit in the General Fund remaining from the*
38 *preceding fiscal year, and the total amount of the*
39 *revenues and other resources, including reserves,*
40 *estimated to be available to the State for General Fund*



1 purposes for that fiscal year; shall be expressly set forth in
2 the budget bill. The reliability of that estimate shall be
3 certified by the Legislative Analyst prior to its inclusion
4 in the budget bill.

5 (h) Upon the conclusion of each of the fiscal year
6 quarters ending September 30, December 31, and March
7 31, the Department of Finance shall complete a
8 projection of the General Fund balance for the entire
9 fiscal year and, upon certification by the Legislative
10 Analyst of its accuracy, shall report that projection to the
11 Legislature and the Governor. Each report shall identify
12 the extent, if any, by which the total of all expenditures
13 that are authorized to be made from the General Fund of
14 the State for that fiscal year by the budget act and any
15 other statute, combined with the total of all General Fund
16 reserves that are authorized by the State for that fiscal
17 year and any deficit in the General Fund remaining from
18 the preceding fiscal year, are projected to exceed the
19 total of all revenues and other resources, including
20 reserves for prior years, that are estimated to be available
21 to the State for General Fund purposes for that fiscal year.

22 (i) By May 15 of each year, the Legislative Analyst shall
23 present to the Legislature his or her projections of the
24 total amount of revenues and expenditures for the
25 ensuing fiscal year.

26 Third—That the amendments to the California
27 Constitution made by this measure shall apply to the
28 budget bill for the 1999–2000 fiscal year and each
29 subsequent fiscal year, and shall apply for all purposes
30 commencing July 1, 1999.

