

AMENDED IN ASSEMBLY JUNE 29, 1998  
AMENDED IN ASSEMBLY APRIL 16, 1998  
AMENDED IN ASSEMBLY MARCH 31, 1998  
AMENDED IN ASSEMBLY MARCH 30, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

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**Assembly Constitutional Amendment**

**No. 26**

**Introduced by Assembly Members Torlakson, Scott, and  
Goldsmith**

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

***(Coauthor: Assembly Member Murray)***

July 21, 1997

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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 the date identified in the joint rules of the Senate and Assembly as the first day of the summer recess for that year, any reimbursement for ~~travel or living expenses~~ *per diem, as specified*, for each Member of the Legislature be forfeited for the period from midnight on that date 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



1 Section 10 of Article II, in which event the statute shall go  
2 into effect on the 91st day after the enactment date unless  
3 the petition has been presented to the Secretary of State  
4 pursuant to subdivision (b) of Section 9 of Article II.

5 (3) Statutes calling elections, statutes providing for tax  
6 levies or appropriations for the usual current expenses of  
7 the State, statutes enacting a budget bill, and urgency  
8 statutes shall go into effect immediately upon their  
9 enactment.

10 Second—That Section 12 of Article IV is amended to  
11 read:

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

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

24 (c) (1) The budget shall be accompanied by a budget  
25 bill itemizing recommended expenditures. The bill shall  
26 be introduced immediately in each house by the persons  
27 chairing the committees that consider appropriations.

28 (2) The Legislature shall pass the budget bill by  
29 midnight on June 25 of each year. Notwithstanding  
30 subdivision (b) of Section 10 of this article, the Governor  
31 shall sign the budget bill or return it to the Legislature by  
32 June 30 or five days after the budget bill is presented to  
33 the Governor, whichever date is later.

34 (3) Until the budget bill has been enacted, the  
35 Legislature may not send to the Governor for  
36 consideration any bill appropriating funds for  
37 expenditure during the fiscal year for which the budget  
38 bill is to be enacted, except emergency bills  
39 recommended by the Governor or appropriations for the  
40 salaries and expenses of the Legislature, not including



1 ~~travel or living expenses of Members of the Legislature.~~  
2 ~~per diem of Members of the Legislature, as set forth in~~  
3 ~~Section 8902 of the Government Code.~~

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

11 (e) The Legislature may control the submission,  
12 approval, and enforcement of budgets and the filing of  
13 claims for all state agencies.

14 (f) Notwithstanding Sections 4 and 8 of Article III and  
15 Section 4 of this article, in any year in which the budget  
16 bill is not passed by midnight on the date identified in the  
17 joint rules of the Senate and Assembly as the first day of  
18 the summer recess for that year, each Member of the  
19 Legislature shall forfeit any ~~reimbursement for travel or~~  
20 ~~living expenses per diem~~ for the period from midnight on  
21 that date until the date that the budget bill is passed. No  
22 forfeited ~~travel or living expenses per diem~~ may be paid  
23 retroactively. The total amount of ~~travel and living~~  
24 ~~expenses per diem~~ forfeited under this subdivision during  
25 any fiscal year shall be counted as part of the total  
26 aggregate expenditures of the Legislature for that fiscal  
27 year for purposes of Section 7.5. For purposes of this  
28 subdivision, the passage of a budget bill is deemed to  
29 occur when a bill is passed that would make  
30 appropriations for the support of the government of the  
31 State for the entire fiscal year.

32 (g) The total of all expenditures that are authorized to  
33 be made from the General Fund of the State for any fiscal  
34 year by the budget bill and any other statute, combined  
35 with the total of all General Fund reserves that are  
36 authorized by the State for that fiscal year, and any deficit  
37 in the General Fund remaining from the preceding fiscal  
38 year, may not exceed the total of all revenues and other  
39 resources, including reserves for prior years, that are  
40 estimated to be available to the State for General Fund



1 purposes for that fiscal year. The total amount of those  
2 General Fund expenditures and reserves authorized by  
3 the budget bill and any other statute for that fiscal year,  
4 as of the date of enactment of the budget bill, together  
5 with any deficit in the General Fund remaining from the  
6 preceding fiscal year, and the total amount of the  
7 revenues and other resources, including reserves,  
8 estimated to be available to the State for General Fund  
9 purposes for that fiscal year, shall be expressly set forth in  
10 the budget bill. The reliability of that estimate shall be  
11 certified by the Legislative Analyst prior to its inclusion  
12 in the budget bill.

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

31 (i) By May 15 of each year, the Legislative Analyst shall  
32 present to the Legislature his or her projections of the  
33 total amount of revenues and expenditures for the  
34 ensuing fiscal year.

35 Third—That the amendments to the California  
36 Constitution made by this measure shall apply to the  
37 budget bill for the 1999–2000 fiscal year and each



1 subsequent fiscal year, and shall apply for all purposes  
2 commencing July 1, 1999.

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