

Part 2 Appropriations Limit

63J-3-201 Appropriations limit -- Formula.

- (1) There is established a state appropriations limit for each fiscal year beginning after June 30, 1988.
- (2) For each of these fiscal years, the annual legislative appropriations for this state, its agencies, departments, and institutions may not exceed that sum determined by applying the formula $B \cdot \frac{P}{I}$ in which:
 - (a) "B" equals the base year real per capita appropriations for the state, its agencies, departments, and institutions;
 - (b) "P" equals the most recent fiscal year's population; and
 - (c) "I" equals the most recent fiscal year's inflation index adjusted to reflect fiscal year 1989 as having an index value of 100.
- (3) The revenues specified in Section 63J-3-205 are not subject to the limitation in this section.

Renumbered and Amended by Chapter 382, 2008 General Session

63J-3-202 Computing formula elements.

- (1) For purposes of calculating fiscal year inflation indexes for the previous fiscal year, the Governor's Office of Management and Budget shall use:
 - (a) the actual quarterly data released by the U.S. Department of Commerce as of January 31 of each year; and
 - (b) the most recent U.S. Bureau of Census population estimates as of January 31 of each year.
- (2)
 - (a) For purposes of computing the inflation index, the Governor's Office of Management and Budget shall:
 - (i) assign the bureau's 1982 calendar year inflation index value of 100 to fiscal year 1989 for purposes of computing fiscal year index values;
 - (ii) compute all subsequent fiscal year inflation indexes after having assigned the fiscal year 1989 inflation index a value of 100; and
 - (iii) use the quarterly index values published by the Bureau of Economic Analysis, U.S. Department of Commerce, to compute fiscal year index values.
 - (b) If the bureau changes its calendar base year, appropriate adjustments are to be made in this chapter to accommodate those changes.
- (3)
 - (a) For purposes of computing the most recent fiscal year's population, the Governor's Office of Management and Budget shall convert the April 1 decennial census estimate to a July 1 estimate, unless otherwise estimated by the Bureau of Census.
 - (b) If the bureau changes the state's July 1, 1983 base year population after it conducts the 1990 Census, appropriate adjustments shall be made in this chapter to accommodate those changes.

Amended by Chapter 310, 2013 General Session

63J-3-203 Program and service adjustments to the limitation -- Funding level.

- (1) If the state transfers partial or total responsibility of a program or service to another unit of government, the appropriations limitations shall be decreased by the amount of the transfer.
- (2) If the state accepts partial or total responsibility for a program or service from another unit of government, the appropriations limit shall be increased by the amount of the transfer.
- (3) If funding exempted under this chapter for a program or service administered by the state is reduced or eliminated and the Legislature elects to fund the program or service with tax revenue, the appropriations limitations shall be increased by the amount the Legislature elects to fund.
- (4) If the state transfers the funding source of a program or service from taxes to user charges or other exempted revenue sources specified in this chapter, the maximum allowable appropriations limitations shall be decreased by the amount of the transfer.
- (5) If the Legislature transfers the funding source of a program or service from user charges or other exempted revenue sources as specified in this chapter to tax revenues, appropriations limitations shall be increased by the amount of the transfer.
- (6) If the state transfers revenues from sources exempt under this chapter to funds containing revenues from nonexempt sources, the revenues transferred shall be part of and subject to the appropriations limits of this chapter.

Renumbered and Amended by Chapter 382, 2008 General Session

63J-3-204 Exceptions to limitation -- Fiscal emergency -- Requirements -- Limits modified or exceeded by vote of the people.

- (1)
 - (a) The limits as provided in this chapter may be exceeded if a fiscal emergency is declared.
 - (b) A fiscal emergency for the state shall be declared by the governor and confirmed by more than two-thirds of both houses of the Legislature.
- (2)
 - (a) Funding for fiscal emergencies may not be included in the appropriations base for computing the maximum allowable appropriations in subsequent years.
 - (b) Fiscal emergency appropriations shall remain separate from appropriations subject to limits imposed by this chapter and shall be assigned expiration dates.
- (3) Any limit in this chapter may be exceeded or modified by a majority vote of the people in a statewide election.

Renumbered and Amended by Chapter 382, 2008 General Session

63J-3-205 Money excluded from the limitation.

Money from the following sources is excluded from the revenues appropriated and used in determining a limitation:

- (1) money received from the government of the United States including federal mineral lease payments;
- (2) money received by the state from another unit of government, except the proceeds of taxes, fees, or penalties imposed by the state and collected by the other unit of government;
- (3) money derived from the issuance of, or to pay interest, principal, or redemption premiums on, any security;
- (4) money received from the sale of fixed assets or gains on fixed asset transfers;
- (5) the proceeds of contracts, grants, gifts, donations, and bequests made to the state for a purpose specified by the contractor or donor;

- (6) user charges derived by the state from the sale of a product or service pledged or legally available to repay any security or for which the quantity of the product or level of service provided to a user is at the discretion of the user; and
- (7) money raised to meet fiscal emergencies.

Amended by Chapter 342, 2011 General Session

63J-3-206 Appropriations limit formula -- Mathematical equation.

The legislative fiscal analyst shall create, in accordance with Section 63I-6-103, a mathematical equation for the state appropriations limit formula described in this part.

Enacted by Chapter 49, 2015 General Session