



ARIZONA STATE SENATE
Fifty-Sixth Legislature, First Regular Session

AMENDED
FACT SHEET FOR S.C.R. 1034

general appropriation bill; continuing appropriation

Purpose

Subject to voter approval, constitutionally continues the general appropriation act from the previous fiscal year until a new general appropriation bill is signed into law, if a new fiscal year begins and no general appropriation bill has been signed into law.

Background

The annual general appropriations bill is constitutionally required annual legislation that may not include any item other than appropriations for the departments of the state, state institutions, public schools and interest on public debt. When passed by the Legislature, the General Appropriations Act is effective on the signature of the Governor ([Ariz. Const. art 4, pt. 2, § 20](#)).

The Joint Legislative Budget Committee (JLBC) must: 1) ascertain facts and make recommendations to the Legislature relating to the state budget, state revenues and expenditures, the organization and functions of state agencies and future fiscal needs in Arizona; 2) implement a system of fiscal notes to apply to introduced legislation and agency rules with a fiscal impact; 3) analyze the effects of the state tax structure, tax burdens and tax incentives on individuals and businesses; and 4) implement a system of fiscal analysis that applies to introduced legislation that involve one or more proposed changes to the tax law ([A.R.S. § 41-1272](#)).

JLBC consists of 16 members, including: 1) the majority leaders of the Senate and House of Representatives; 2) the chairpersons of the Senate and House of Representatives Appropriations committees; 3) the Chairman of the Senate Finance Committee; 4) the Chairman of the House Ways and Means Committee; 5) five members of the Senate Appropriations Committee appointed by the President of the Senate; and 6) five members of the House Appropriations Committee appointed by the Speaker of the House of Representatives ([A.R.S. § 41-1271](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Continues, if a new fiscal year begins and no general appropriation bill has been signed into law, the general appropriation bill for the immediately preceding fiscal year until a new general appropriation bill is signed into law.

2. Requires JLBC or its successor agency, by a majority vote of all appointed members, to adjust, for inflation and enrollment growth in the new fiscal year or to remove onetime expenditures, the continued general appropriation amounts for programs administered by:
 - a) the Arizona Department of Education;
 - b) the Arizona Health Care Cost Containment System; and
 - c) the Department of Economic Security.
3. Specifies that the previous general appropriation bill does not continue in effect for the new fiscal year if, after being adjusted by JLBC, the previous general appropriation bill would appropriate an amount that exceeds the projected General Fund revenues for the new fiscal year.
4. Requires the Legislature to enact laws to enforce the continuation of the previous fiscal year's general appropriation bill.
5. Makes technical and conforming changes.
6. Requires the Secretary of State to submit the proposition to the voters at the next general election.
7. Becomes effective if approved by the voters and on proclamation of the Governor.

Amendments Adopted by Committee

- Adds language to include the removal of onetime expenditures to the list of adjustments JLBC may make to a continued general appropriation bill by majority vote.

Amendments Adopted by Committee of the Whole

1. Requires, rather than allows, JLBC or its successor agency, by a majority vote of all appointed members, to make specified adjustments to a continued general appropriation bill.
2. Adds language exempting the continuation of the previous general appropriation bill when JLBC's adjustments would appropriate an amount exceeding the projected General Fund revenues for the new fiscal year.
3. Requires the Legislature to enact laws to enforce the continuation of the previous fiscal year's general appropriation bill.
4. Makes conforming changes.

Senate Action

APPROP 2/14/23 DPA 6-3-1