

## Appendix Table 1. Antecedent Conditions

STATE	BALANCED BUDGET REQUIREMENTS (NASBO 2002) <sup>1</sup>			TERM LIMITS <sup>1</sup>		# OF SERVICES TAXED <sup>2</sup>	POPULATION CHANGE (%) 1990-2000 <sup>3</sup>	TAX & EXPENDITURE LIMITATIONS <sup>1</sup>		RELATION TO FEDERAL TAX BASE <sup>5</sup>	RAINY DAY FUND <sup>5</sup>				
	Governor Must Submit Balanced Budget	Legislature Must Pass Balanced Budget	Governor Must Sign Balanced Budget	May Carry Over Deficit from Previous Year	Legislative			Executive (Gubernatorial)	Nature of Regulation C=Constitutional S=Statutory		Expenditure Limitation	Vote Required to Pass Tax Increase	Name	Cap	Source of Deposits
<b>Alaska</b>	Yes	Yes	Yes	No	N/A	2 consecutive terms allowed; terms last 4 years	14.0	C	Appropriation limited to growth of population and inflation	Majority	Constitutional Reserve	None	Mineral litigation settlements	2483	None when revenues decline; for any other purpose a 3/4 legislative vote required
<b>Arizona</b>	Yes	Yes	Yes	No	House: 4 terms (8 years total) Senate: 4 terms (8 years total) Assembly: 3 terms (6 years total) Senate: 2 terms (8 years total)	2 consecutive terms allowed; terms last 4 years	40.0	C	Appropriation limited to 7.41% of personal income	2/3 elected	Budget Stabilization Fund	6%	One-time funds	72	None
<b>California</b>	Yes	No	Yes	Yes	House: 4 terms (8 years total) Senate: 2 terms (8 years total)	2 consecutive terms allowed; terms last 4 years	13.8	C	Appropriation limited to personal income and population	2/3 elected	Budget Reserve Fund	None	Year-end budget surpluses	0	None
<b>Colorado</b>	Yes	Yes	Yes	No	House: 4 terms (8 years total) Senate: 2 terms (8 years total)	2 consecutive terms allowed; terms last 4 years	30.6	S	Appropriation growth limited to 6% of prior year's growth	2/3 elected	None	None	N/A	0	None
<b>Hawaii</b>	Yes	No	Yes	No	N/A	2 consecutive terms allowed; terms last 4 years	9.3	C	Appropriation limited to 3 year average of personal income growth	Majority; all tax increases must be approved by a vote of the people	Emergency and Budget Reserve Fund	None	Portion of tobacco settlements	50	None
<b>Idaho</b>	No	No	No	No	N/A	N/A	28.5	S	Ongoing appropriations limited to 5.33% of personal income	Majority (2/3 elected required if general fund expenditure ceiling is exceeded, otherwise majority)	Budget Stabilization Fund	5%	Deposit required when revenue growth exceeds specified level	53	None
<b>Montana</b>	Yes	Yes	No	No	House: 4 terms (8 years total) Senate: 2 terms (8 years total)	Governor limited to 8 years in a 16-year period	12.9	S	Appropriation limited to personal income growth	Majority	None	None	N/A	N/A	None
<b>Nevada</b>	Yes	Yes	Yes	No	Assembly: 6 terms (12 years total) Senate: 3 terms (12 years total)	2 consecutive terms allowed; terms last 4 years	66.3	S	Appropriation limited to growth of population and inflation	Majority for expenditures, 3/5 vote on taxes (and any bill that raises revenue)	Fund to Stabilize Operations of State	10%	Year-end budget surpluses	136	None
<b>New Mexico</b>	Yes	Yes	Yes	No	N/A	2 consecutive terms allowed; terms last 4 years	20.1	N/A	N/A	3/5 elected	3 Funds <sup>4</sup>	None	Year-end budget surpluses	312	None
<b>Oregon</b>	Yes	Yes	Yes	No	N/A	N/A	20.4	S	Appropriation limited to personal income growth	2/3 elected	Education Stability Fund	5%	15% of lottery revenue (18% after July 1, 2003)	0	3/5 of legislature
<b>Utah</b>	Yes	Yes	Yes	No	N/A	If Governor serves 12 years, cannot seek re-election	29.6	S	Appropriation limited to population growth, inflation, personal income	Majority	Budget Reserve Account	8%	Year-end budget surpluses	10	None
<b>Washington</b>	Yes	No	No	No	N/A	N/A	21.1	S	State general fund expenditures limited to growth in population and inflation	Majority	Budget Stabilization Account	5%	Year-end budget surpluses	113	2/3 vote of legislature
<b>Wyoming</b>	Yes	Yes	No	No	House: 6 terms (12 years total) Senate: 3 terms (12 years total)	Governor limited to 2 terms in a 16-year period	8.9	N/A	N/A	Majority	Budget Reserve Account	None	Year-end transfer when appropriations exceed expenditures	130	None

<sup>1</sup> National Association of State Budget Officers, Washington, D.C. "Budget Processes in the States." January, 2002.

<sup>2</sup> Federation of Tax Administrators, Sales Taxation of Services Survey, 1996. (A 2000 update noted no major changes for the states in question.)

<sup>3</sup> 1990 U.S. Census (www.census.gov)

<sup>4</sup> General Fund Operating Reserve; General Fund Tax Stabilization Fund; Appropriations Contingency Fund

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