



2011 ASSEMBLY JOINT RESOLUTION 118

February 28, 2012 – Introduced by Representatives KUGLITSCH, AUGUST, WILLIAMS, FARROW, KOOYENGA, SPANBAUER, ENDSLEY, RIVARD, CRAIG, LITJENS and THIESFELDT, cosponsored by Senator VUKMIR. Referred to Committee on Homeland Security and State Affairs.

1 **To amend** section 7 (2) (b) 1. of article VIII and section 7 (2) (b) 2. of article VIII of
2 the constitution; **relating to:** the ceiling for public debt contracted by the state
3 (first consideration).

Analysis by the Legislative Reference Bureau

The constitution limits the aggregate public debt contracted by the state to three-fourths of 1 per centum of the aggregate value of all taxable property in the state, or in the alternative, 5 per centum of the aggregate value of all taxable property in the state less the sum of certain other public debts.

This constitutional amendment, proposed to the 2011 legislature on first consideration, lowers the debt ceiling from three-fourths of 1 percent to three-eighths of 1 percent of the aggregate value of all taxable property in the state and changes the alternate debt limit from 5 percent to 2.5 percent.

A proposed constitutional amendment requires adoption by two successive legislatures, and ratification by the people, before it becomes effective.

4 **Resolved by the assembly, the senate concurring, That:**

5 **SECTION 1.** Section 7 (2) (b) 1. of article VIII of the constitution is amended to
6 read:

1 [Article VIII] Section 7 (2) (b) 1. ~~Three-fourths~~ Three-eighths of one per
2 centum of the aggregate value of all taxable property in the state; or

3 **SECTION 2.** Section 7 (2) (b) 2. of article VIII of the constitution is amended to
4 read:

5 [Article VIII] Section 7 (2) (b) 2. ~~Five~~ Two and one-half per centum of the
6 aggregate value of all taxable property in the state less the sum of: a. the aggregate
7 public debt of the state contracted pursuant to this section outstanding as of January
8 1 of such calendar year after subtracting therefrom the amount of sinking funds on
9 hand on January 1 of such calendar year which are applicable exclusively to
10 repayment of such outstanding public debt and, b. the outstanding indebtedness as
11 of January 1 of such calendar year of any entity of the type described in paragraph
12 (d) to the extent that such indebtedness is supported by or payable from payments
13 out of the treasury of the state.

14 ***Be it further resolved, That*** this proposed amendment be referred to the
15 legislature to be chosen at the next general election and that it be published for three
16 months previous to the time of holding such election.

17 (END)