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CS FOR SENATE BILL NO. 178(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL**FOR AN ACT ENTITLED**

1 "An Act relating to the Alaska operating endowment fund; and providing for an
2 effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 37.14 is amended by adding new sections to read:

5 **Article 10. Alaska Operating Endowment Fund.**

6 **Sec. 37.14.850. Alaska operating endowment fund established.** (a) The
7 Alaska operating endowment fund is established as a separate endowment fund of the
8 state. Appropriations may be made to the Alaska operating endowment fund.

9 (b) Money in the fund does not lapse under AS 37.25.010. Nothing in this
10 section exempts money transferred to the fund from the requirements of AS 37.07
11 (Executive Budget Act).

12 **Sec. 37.14.860. Fund management.** The Alaska operating endowment fund
13 shall be managed and invested by the Department of Revenue, subject to the same
14 powers and duties established for the Alaska Permanent Fund Corporation in

1 AS 37.13.120 and the regulations adopted by the Board of Trustees of the Alaska
2 Permanent Fund Corporation. The department shall retain income in the fund. The
3 department shall, not less frequently than annually, prepare, publish, and distribute a
4 financial report showing fund investment revenue and expenditures.

5 **Sec. 37.14.870. Use of the fund.** (a) As soon as practicable after June 30 of
6 each fiscal year, the Department of Revenue shall determine the average month-end
7 market value of the Alaska operating endowment fund for the immediately preceding
8 three fiscal years. The department shall identify four percent of that amount as
9 available for appropriation by the legislature for the purpose described in (b) of this
10 section.

11 (b) Each fiscal year, the legislature may appropriate the amount identified
12 under (a) of this section from the Alaska operating endowment fund for any public
13 purpose.

14 **Sec. 37.14.880. No dedicated fund.** Nothing in AS 37.14.850 - 37.14.870
15 creates a dedicated fund or dedicates state revenue.

16 * **Sec. 2.** This Act takes effect July 1, 2012.