

HOUSE JOINT RESOLUTION NO. 58

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE COWDERY

Introduced: 2/12/98

Referred: Health, Education and Social Services, Judiciary

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the**
2 **education fund.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** Article IX, sec.17(a), Constitution of the State of Alaska is amended to read:

5 **Section 17. Budget reserve fund.** (a) There is established as a separate fund
6 in the State treasury the budget reserve fund. Except for money deposited into the
7 permanent fund under Section 15 of this article **or deposited into the education fund**
8 **under Section 18 of this article**, all money received by the State after July 1, 1990,
9 as a result of the termination, through settlement or otherwise, of an administrative
10 proceeding or of litigation in a State or federal court involving mineral lease bonuses,
11 rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or
12 bonuses, or involving taxes imposed on mineral income, production, or property, shall
13 be deposited in the budget reserve fund. Money in the budget reserve fund shall be
14 invested so as to yield competitive market rates to the fund. Income of the fund shall
15 be retained in the fund. Section 7 of this article does not apply to deposits made to
16 the fund under this subsection. Money may be appropriated from the fund only as

1 authorized under (b) or (c) of this section.

2 * **Sec. 2.** Article IX, Constitution of the State of Alaska, is amended by adding a new
3 section to read:

4 **Section 18. Education Fund.** (a) Forty percent of all mineral lease rentals,
5 royalties, royalty sale proceeds, and federal mineral revenue sharing payments and
6 bonuses received by the State from activities conducted within the boundaries of the
7 Arctic National Wildlife Refuge shall be placed in the education fund. Money in the
8 education fund shall be invested so as to yield competitive market rates to the fund.
9 Income of the fund shall be retained in the fund unless it is appropriated under (b) of
10 this section. Section 7 of this article does not apply to deposits made to the fund or
11 to income retained in the fund.

12 (b) Money in the education fund may be appropriated only for public
13 elementary and secondary education or for the University of Alaska.

14 * **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of
15 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
16 State of Alaska, and the election laws of the state.