

SENATE BILL NO. 66

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/10/99

Referred: Finance

| | | |
|-----------------------------|---------------------|-------------------------------|
| Funding Information: | General Fund | \$ -0- |
| | Other Funds | <u>\$4,000,000,000</u> |
| | | \$4,000,000,000 |

A BILL**FOR AN ACT ENTITLED**

1 "An Act making a special appropriation from the earnings reserve account of the
 2 Alaska permanent fund to the constitutional budget reserve fund; and providing
 3 for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** (a) The sum of \$4,000,000,000 is appropriated from the balance of the
 6 earnings reserve account of the permanent fund to the constitutional budget reserve fund for
 7 the purpose of providing a source of sustainable revenue for a balanced budget.

8 (b) The sum appropriated in (a) of this section may not be transferred unless there is

9 (1) a sufficient balance in the earnings reserve account after transferring or
 10 reserving

11 (A) the amount authorized under AS 37.13.145(b) for transfer to the
 12 dividend fund (AS 43.23.045(a)) for the payment of 1999 permanent fund dividends;

1 and

2 (B) the amount calculated under AS 37.13.145 to offset the effect of
3 inflation on the principal of the permanent fund during fiscal year 1999; and

4 (2) a finding in writing by the Board of Trustees of the Alaska Permanent
5 Fund Corporation that actions taken to establish a sufficient balance in the earnings reserve
6 account for purposes of this Act will not violate the provisions of art. IX, sec. 15, Constitution
7 of the State of Alaska protecting the principal of the permanent fund.

8 (c) In this section,

9 (1) "constitutional budget reserve fund" means the budget reserve fund
10 established in art. IX, sec. 17, Constitution of the State of Alaska;

11 (2) "earnings reserve account" means the earnings reserve account established
12 in AS 37.13.145;

13 (3) "permanent fund" means the Alaska permanent fund established in art. IX,
14 sec. 15, Constitution of the State of Alaska.

15 * **Sec. 2.** The appropriation in sec. 1 of this Act is made to capitalize the constitutional
16 budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) and does not lapse.

17 * **Sec. 3.** This Act takes effect on the date that the director of elections certifies the results
18 of a 1999 special statewide election at which a majority of the votes cast on the proposition
19 favor an appropriation by the legislature of \$4,000,000,000 from the earnings reserve account
20 of the Alaska permanent fund to the constitutional budget reserve fund (art. IX, sec. 17,
21 Constitution of the State of Alaska).

22 * **Sec. 4.** This Act is repealed June 30, 2000.