

**CS FOR HOUSE BILL NO. 371(STA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

**BY THE HOUSE STATE AFFAIRS COMMITTEE**

**Offered: 5/8/02**

**Referred: Finance**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing and relating to the Alaska veterans' memorial endowment fund;**  
2 **and providing for an 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 8. Alaska Veterans' Memorial Endowment Fund.**

6 **Sec. 37.14.700. Alaska veterans' memorial endowment fund established.**

7 (a) The Alaska veterans' memorial endowment fund is established as a separate  
8 endowment trust fund of the state. The fund consists of

9 (1) appropriations to the fund;

10 (2) donations to the fund; and

11 (3) income earned on investments of fund assets.

12 (b) The commissioner of revenue shall manage the fund as an endowment,  
13 with the goal that the purchasing power of the fund will not diminish over time  
14 without regard to additional contributions that may be made to the fund. The

1 commissioner shall invest the assets of the fund in a manner likely to yield at least a  
2 five percent real rate of return over time.

3 (c) Nothing in this section creates a dedicated fund.

4 **Sec. 37.14.720. Powers and duties of the commissioner of revenue.** In  
5 carrying out the investment duties under AS 37.14.700 - 37.14.740, the commissioner  
6 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall  
7 provide reports to the adjutant general of the Department of Military and Veterans'  
8 Affairs on the condition and investment performance of the fund.

9 **Sec. 37.14.730. Use of fund.** (a) As soon as practicable after July 1 of each  
10 year, the commissioner of revenue shall determine the average month-end market  
11 value of the fund for the immediately preceding three fiscal years. The commissioner  
12 shall identify five percent of that amount as available for appropriation by the  
13 legislature for uses described in (b) of this section.

14 (b) Appropriations of the amount identified in (a) of this section may be used  
15 for the following purposes:

16 (1) grants for the maintenance, repair, replacement, and enhancement  
17 of, or addition to, veterans' memorials or monuments to the military;

18 (2) grants for the development and construction of new veterans'  
19 memorials or monuments to the military if the adjutant general determines that the  
20 purposes set out in (1) of this subsection have been met in a fiscal year;

21 (3) reimbursement of the costs of establishment, management, and  
22 administration of the fund.

23 (c) After consultation with appropriate veterans' organizations, the adjutant  
24 general of the Department of Military and Veterans' Affairs shall administer the grant  
25 program and award grants from the money appropriated from the fund. The adjutant  
26 general may adopt regulations under AS 44.62 (Administrative Procedure Act) to  
27 establish procedures and standards to administer the grant program and for the award  
28 of grants. The standards may include requirements for recipients to match grant  
29 awards, if appropriate.

30 **Sec. 37.14.740. Definition.** In AS 37.14.700 - 37.14.740, "fund" means the  
31 Alaska veterans' memorial endowment fund established in AS 37.14.700.

1     \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3           TRANSITION:     AMOUNT   AVAILABLE   FOR   APPROPRIATION.     (a)  
4 Notwithstanding AS 37.14.730(a), enacted by sec. 1 of this Act, the commissioner of revenue  
5 shall identify five percent of the balance of the Alaska veterans' memorial endowment fund on  
6 July 1, 2002, as being the amount available for appropriation to support efforts authorized by  
7 this Act for fiscal year 2003.

8           (b) Notwithstanding the requirement in AS 37.14.730(a), enacted by sec. 1 of this  
9 Act, that the commissioner of revenue make a determination based on the market value of the  
10 fund for the immediately preceding three fiscal years, the commissioner of revenue shall  
11 make the determination under AS 37.14.730(a) based on the average ending balance in the  
12 fund

13                   (1) from July 31, 2002, to June 30, 2003, for fiscal year 2004;

14                   (2) from July 31, 2002, to June 30, 2004, for fiscal year 2005;

15                   (3) from July 31, 2002, to June 30, 2005, for fiscal year 2006.

16           (c) In this section,

17                   (1) "Alaska veterans' memorial endowment fund" means the fund established  
18 in AS 37.14.700, enacted by sec. 1 of this Act;

19                   (2) "fund" means the Alaska veterans' memorial endowment fund.

20     \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).