

CS FOR SENATE BILL NO. 93(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/14/01
Referred: Rules

Sponsor(s): SENATOR PHILLIPS

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Arctic Winter Games Team Alaska trust; 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 7. Arctic Winter Games Team Alaska Trust.**

6 **Sec. 37.14.600. Arctic Winter Games Team Alaska trust fund established.**

7 (a) The Arctic Winter Games Team Alaska trust fund is established as a separate
8 endowment trust of the state consisting of

9 (1) appropriations to the trust;

10 (2) donations to the trust; and

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

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

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

2 **Sec. 37.14.610. Duties of the commissioner.** The commissioner of revenue
3 has the power and duty to

4 (1) act as official custodian of the cash and investments belonging to
5 the Arctic Winter Games Team Alaska trust by securing adequate and safe custodial
6 facilities;

7 (2) exercise the same powers and duties as those established for the
8 Alaska State Pension Investment Board in AS 14.25.180(b) and (c);

9 (3) invest the assets of the trust in a manner likely to yield at least five
10 percent real rate of return over time;

11 (4) maintain accounting records of the trust in accordance with
12 investment accounting principles;

13 (5) enter into and enforce contracts or agreements considered
14 necessary for the investment purposes of the trust;

15 (6) report to the board of directors of the Arctic Winter Games Team
16 Alaska the condition and performance of the trust;

17 (7) monitor use of trust money by the Arctic Winter Games Team
18 Alaska; and

19 (8) do all acts that the commissioner of revenue considers necessary or
20 proper in administering the assets of the trust.

21 **Sec. 37.14.620. Transfers from the trust fund.** (a) As soon as practicable
22 after July 1 of each year, the commissioner of revenue shall determine the average
23 month-end market value of the Arctic Winter Games Team Alaska trust fund for the
24 immediately preceding three fiscal years. Five percent of that amount shall be
25 identified by the commissioner as available for appropriation to the Department of
26 Revenue for

27 (1) costs to the department of administering the trust; and

28 (2) transfers to Arctic Winter Games Team Alaska, a nonprofit
29 corporation, in amounts requested by the corporation for purposes authorized in
30 AS 37.14.630.

31 (b) As soon as practicable after July 1 of each fiscal year that the Arctic

1 Winter Games are held in the state, the commissioner of revenue shall determine
 2 whether more money may be made available to support the state's participation in the
 3 games from the Arctic Winter Games Team Alaska trust fund than the amount
 4 determined under (a) of this section. The determination of the amount of additional
 5 money available shall be based on consideration of AS 37.14.600(b) and any amounts
 6 identified during prior fiscal years as available for appropriation under (a) of this
 7 section that were never transferred from the trust fund. The additional amount shall be
 8 identified by the commissioner and is available for appropriation to the Department of
 9 Revenue for transfers to Arctic Winter Games Team Alaska.

10 **Sec. 37.14.630. Use of trust money.** The board of directors of the Arctic
 11 Winter Games Team Alaska may use money transferred from the Arctic Winter
 12 Games Team Alaska trust fund only for

13 (1) equipment, uniforms, travel, and food and lodging for Arctic
 14 Winter Games Team Alaska athletes, coaches, staff, and directors;

15 (2) staging tryouts for Arctic Winter Games Team Alaska in events;

16 (3) costs of athletic skill clinics;

17 (4) grants to youth sports organizations for equipment;

18 (5) providing for cultural performers and exhibitions to accompany the
 19 Arctic Winter Games Team Alaska sports delegation;

20 (6) costs incurred by the Arctic Winter Games Host Society for
 21 expenses associated with holding the Arctic Winter Games in the state; and

22 (7) administrative expenses related solely to the state's participation in
 23 the Arctic Winter Games.

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

26 **TRANSITION.** (a) Notwithstanding AS 37.14.620(a), enacted by sec. 1 of this Act,
 27 the commissioner of revenue shall identify five percent of the balance of the Arctic Winter
 28 Games Team Alaska trust fund on July 1, 2001, as available for appropriation to support the
 29 state's participation in the Arctic Winter Games for fiscal year 2002.

30 (b) Notwithstanding the requirement under AS 37.14.620(a), enacted by sec. 1 of this
 31 Act, that the commissioner of revenue make a determination based on the market value of the

1 Arctic Winter Games Team Alaska trust fund for the immediately preceding three years, the
2 commissioner of revenue shall make the determination under AS 37.14.620(a) based on the
3 average ending balance in the fund

4 (1) from July 31, 2001, to June 30, 2002, for fiscal year 2003;

5 (2) from July 31, 2001, to June 30, 2003, for fiscal year 2004;

6 (3) from July 31, 2001, to June 30, 2004, for fiscal year 2005.

7 * **Sec. 3.** This Act takes effect July 1, 2001.