

HOUSE BILL NO. 304

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

BY REPRESENTATIVES WHITAKER, Fate, Mulder

Introduced: 1/14/02

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to disposition of income of the permanent fund; and providing for an**
2 **effective date."**

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

4 *** Section 1.** AS 37.13.145 is amended by adding new subsections to read:

5 (e) At the end of each fiscal year, the corporation shall calculate the amount of
6 money that is equal to the realized income of the earnings reserve account during that
7 fiscal year.

8 (f) After the transfers under (b) and (c) of this section, the corporation shall
9 transfer from the earnings reserve account to the general fund the lesser of the
10 following amounts:

11 (1) the amount calculated under (e) of this section; or

12 (2) \$200,000,000

13 (A) plus an amount sufficient to offset the effect of inflation
14 calculated by

1 (i) computing the average of the monthly United States
 2 Consumer Price Index for all urban consumers for each of the two
 3 previous calendar years;

4 (ii) computing the percentage change between the first
 5 and second calendar year average; and

6 (iii) applying that rate to the amount calculated under
 7 this subparagraph on the last day of the previous fiscal years; and

8 (B) plus or minus an amount sufficient to adjust for the change
 9 in state population calculated by comparing the estimated population on the
 10 last day of the previous fiscal year and the estimated current population.

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

13 TRANSFERS AT THE ENDS OF FISCAL YEARS 2002 AND 2003. (a)
 14 Notwithstanding AS 37.13.145(e) and (f), added by sec. 1 of this Act, the amount transferred
 15 to the general fund at the end of fiscal year 2002 is the lesser of the following amounts: the
 16 amount calculated under AS 37.13.145(e) or \$200,000,000.

17 (b) At the end of fiscal year 2003, for purposes of AS 37.13.145(f)(2)(A)(iii), the
 18 "amount calculated under this subparagraph on the last day of the previous fiscal year" is
 19 \$200,000,000.

20 * **Sec. 3.** This Act takes effect June 30, 2002.