

HOUSE BILL NO. 375

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Introduced: 1/17/06

Referred: House Special Committee on Ways and Means, State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the retirement benefit liability account and appropriations from that**
2 **account; relating to deposits of certain income earned on money received as a result of**
3 **State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District);**
4 **and providing for an effective date."**

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

6 * **Section 1.** AS 37.10 is amended by adding a new section to read:

7 **Article 4A. Retirement Benefit Liability Account.**

8 **Sec. 37.10.200. Retirement benefit liability account.** (a) The retirement
9 benefit liability account is created in the Department of Revenue.

10 (b) Money in the retirement benefit liability account may be appropriated to
11 the state and political subdivisions of the state, including regional educational
12 attendance areas, for employer contributions to pay past service liabilities of the public
13 employees' retirement system and the teachers' retirement system and for other
14 purposes. Income earned on money in the account may be appropriated to the account

1 annually.

2 (c) Nothing in this section dedicates funds for a specific purpose.

3 (d) In this section, "employer contribution" means a contribution described in
4 AS 14.25.070(a) and AS 39.35.270(a).

5 * **Sec. 2.** AS 37.13.145(d) is amended to read:

6 (d) Notwithstanding (b) of this section, income earned on money awarded in
7 or received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior
8 Court, First Judicial District), including settlement, summary judgment, or adjustment
9 to a royalty-in-kind contract that is tied to the outcome of this case, or interest earned
10 on the money, or on the earnings of the money shall be treated in the same manner as
11 other income of the Alaska permanent fund, except that it is not available for
12 distribution to the dividend fund or for transfers to the principal under (c) of this
13 section, and **that half** shall be annually deposited into the Alaska capital income fund
14 (AS 37.05.565) **and half shall be annually deposited into the retirement benefit**
15 **liability account (AS 37.10.200).**

16 * **Sec. 3.** This Act takes effect June 30, 2006.