

HOUSE BILL NO. 401

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE BERKOWITZ

Introduced: 1/27/06

Referred: House Special Committee on Ways and Means, Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the revenue sharing endowment fund; and providing for an effective**
2 **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 10. Revenue Sharing Endowment Fund.**

6 **Sec. 37.14.850. Revenue sharing endowment fund established.** (a) The
7 revenue sharing endowment fund is established as a separate endowment trust fund of
8 the state. The Department of Revenue shall transfer to the fund 25 percent of all
9 mineral lease rentals, royalties, royalty sale proceeds, net profit shares under
10 AS 38.05.180(f) and (g), and federal mineral revenue sharing payments received by
11 the state from mineral leases issued after December 1, 1979, and 25 percent of all
12 bonuses received by the state from mineral leases issued after February 15, 1980.
13 Transfers shall be made to the fund at least once each month.

14 (b) In addition to transfers under (a) of this section, appropriations may be

1 made to the revenue sharing endowment fund.

2 (c) Money in the fund does not lapse under AS 37.25.010. Nothing in this
3 section exempts money transferred to the fund from the requirements of AS 37.07
4 (Executive Budget Act).

5 **Sec. 37.14.860. Fund management.** The revenue sharing endowment fund
6 shall be managed and invested by the Alaska Permanent Fund Corporation, subject to
7 AS 37.13.120. The corporation shall retain income in the fund. The corporation shall,
8 at least annually, prepare, publish, and distribute a financial report showing fund
9 investment revenue and expenditures.

10 **Sec. 37.14.870. Use of the fund.** (a) As soon as practicable after June 30 of
11 each fiscal year, the Alaska Permanent Fund Corporation shall determine the average
12 month-end market value of the revenue sharing endowment fund for the immediately
13 preceding five fiscal years. The corporation shall identify five percent of that amount
14 as available for appropriation by the legislature for uses described in (b) of this
15 section.

16 (b) Each fiscal year, the legislature may appropriate the amount identified
17 under (a) of this section, or any other amount, from the revenue sharing endowment
18 fund for aid to municipalities and communities under AS 29.60.010 - 29.60.375, or for
19 any other purposes.

20 **Sec. 37.14.880. No dedicated fund.** Nothing in AS 37.14.850 - 37.14.870
21 creates a dedicated fund or dedicates state revenue.

22 * **Sec. 2.** This Act takes effect July 1, 2006.