

HOUSE JOINT RESOLUTION NO. 2

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HAWKER

Introduced: 1/10/05

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

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska creating the gas**
2 **revenue endowment fund, relating to deposits to the fund, limiting appropriations from**
3 **the fund based on an averaged percent of the fund market value, relating to deposits to**
4 **the permanent fund, and relating to deposits to the budget reserve fund.**

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

6 * **Section 1.** Article IX, Constitution of the State of Alaska, is amended by adding a new
7 section to read:

8 **Section 18. Gas Revenue Endowment Fund.** (a) There is established as a
9 separate fund in the State treasury the gas revenue endowment fund. Notwithstanding
10 Sections 15 and 17(a) of this article, all mineral royalties, royalty sale proceeds,
11 severance taxes, and production taxes received by the State from North Slope natural
12 gas shall be deposited into the fund. Section 7 of this article does not apply to deposits
13 made to the fund under this subsection. Except as appropriated under (b) of this
14 section, money in the fund shall be used only for those income-producing investments
15 specifically designated by law as eligible for fund investments.

1 (b) Appropriations from the gas revenue endowment fund for a fiscal year
2 may not exceed five percent of the average of the market values of the fund on June 30
3 for the first five of the six fiscal years immediately preceding that fiscal year. An
4 appropriation from the fund may be made for any public purpose, except that it may
5 not be used for any program that provides dividends or other payments to all State
6 residents.

7 * **Sec. 2.** Article XV, Constitution of the State of Alaska, is amended by adding a new
8 section to read:

9 **Section 30. Transition.** Notwithstanding Section 18(b) of Article IX, an
10 appropriation may not be made from the gas revenue endowment fund for fiscal year
11 2007, and appropriations from the gas revenue endowment fund may not exceed the
12 following amounts for the following fiscal years:

13 (1) fiscal year 2008 - five percent of the market value of the fund on
14 June 30, 2007;

15 (2) fiscal year 2009 - five percent of the average of the market values
16 of the fund on June 30, 2007, and June 30, 2008;

17 (3) fiscal year 2010 - five percent of the average of the market values
18 of the fund on June 30, 2007, June 30, 2008, and June 30, 2009;

19 (4) fiscal year 2011 - five percent of the average of the market values
20 of the fund on June 30, 2007, June 30, 2008, June 30, 2009, and June 30, 2010;

21 (5) fiscal year 2012 - five percent of the average of the market values
22 of the fund on June 30, 2007, June 30, 2008, June 30, 2009, June 30, 2010, and
23 June 30, 2011.

24 * **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of
25 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
26 State of Alaska, and the election laws of the state.