

CS FOR HOUSE JOINT RESOLUTION NO. 12(W&M)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Offered: 4/12/05

Referred: State Affairs, Judiciary, Finance

Sponsor(s): REPRESENTATIVES HARRIS, Croft, Anderson

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the capital**
2 **construction permanent fund and to the repeal of the budget reserve fund.**

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

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

6 **Section 18. Capital Construction Permanent Fund.** (a) There is
7 established as a separate fund in the State treasury the capital construction permanent
8 fund. Money in the fund shall be invested so as to yield competitive market rates to
9 the fund. Income of the fund shall be retained in the fund unless appropriated as
10 provided under (b) of this section.

11 (b) Money may only be appropriated from the capital construction permanent
12 fund for construction and maintenance of facilities of the State or a subdivision of the
13 State. Appropriations from the fund made during a fiscal year may not exceed five
14 percent of the average of the fiscal year-end market values of the fund for the first five
15 of the preceding six fiscal years.

16 * **Sec. 2.** Article XV, Constitution of the State of Alaska, is amended by adding a new

1 section to read:

2 **Section 30. Budget Reserve Fund Transition.** (a) On the effective date of
3 the repeal of Section 17 of Article IX, the unencumbered, unappropriated balance in
4 the budget reserve fund (art. IX, sec. 17) is transferred to the capital construction
5 permanent fund (art. IX, sec. 18).

6 (b) Notwithstanding Section 18(b) of Article IX, appropriations during each of
7 fiscal years 2007 - 2012 from the capital construction permanent fund may equal, but
8 not exceed, five percent of the year-end market value of the fund for the immediately
9 preceding fiscal year. No appropriation may be made from the fund during fiscal year
10 2006.

11 * **Sec. 3.** Article IX, sec. 17, Constitution of the State of Alaska, is repealed.

12 * **Sec. 4.** The amendments proposed by this resolution shall be placed before the voters of
13 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
14 State of Alaska, and the election laws of the state.