

HOUSE JOINT RESOLUTION NO. 34

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KELLY

Introduced: 2/13/06

Referred: State Affairs, Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska limiting**
2 **appropriations from certain mineral revenue, relating to the balanced budget account,**
3 **and relating to an appropriation limit.**

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

5 * **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and
6 readopted to read:

7 **Section 16. Mineral Revenue.** (a) Appropriations of revenue from the
8 following sources are limited: mineral lease rentals, royalties, royalty sale proceeds,
9 federal mineral revenue sharing payments and bonuses, and every State tax on
10 minerals, mineral production, or mineral transportation. The maximum amount that
11 may be appropriated from these sources for a current fiscal year equals the total of the
12 following amounts divided by five:

13 (1) the amounts received by the State from these sources during the
14 four full calendar years that immediately precede the current fiscal year; and

15 (2) the amount expected to be received by the State during the first full

1 calendar year that is part of the current fiscal year based on an estimate delivered by
2 the governor to the legislature on or before the day after the legislature convenes in
3 regular session during that calendar year.

4 (b) There is established as a separate account in the State treasury, outside of
5 the general fund, the balanced budget account. At the end of each fiscal year, the
6 amount of revenue received from the sources listed in (a) of this section and not
7 appropriated for that fiscal year shall be deposited into the balanced budget account.
8 Money in the account shall be invested so as to yield competitive market rates to the
9 account. Income of the account shall be retained in the account. Section 7 of this
10 article does not apply to deposits made to the account under this subsection. Money
11 may not be appropriated from the account. Money from the account shall be
12 transferred to the general fund as necessary to fund appropriations made under (a) of
13 this section.

14 (c) If, at the end of a current fiscal year, the amount in the balanced budget
15 account exceeds the total of the amounts appropriated under (a) of this section for that
16 current fiscal year and for the immediately preceding fiscal year, that excess amount
17 shall be transferred to the budget reserve fund and treated as a repayment for purposes
18 of Section 17(d) of this article.

19 * **Sec. 2.** Article XV, sec. 28, Constitution of the State of Alaska, is repealed and readopted
20 to read:

21 **Section 28. Application of Mineral Revenue Amendment.** The 2006
22 amendment relating to mineral revenue (art. IX, sec. 16) first applies to appropriations
23 made for fiscal year 2008 and to deposits into the balanced budget account made at the
24 end of fiscal year 2008, and applies thereafter.

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