

**CS FOR HOUSE JOINT RESOLUTION NO. 28(JUD)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE JUDICIARY COMMITTEE**

**Offered: 2/8/08**  
**Referred: Finance**

**Sponsor(s): REPRESENTATIVES SAMUELS, Hawker, Ramras, Lynn, Doogan, Kelly, Kerttula, Crawford, Thomas, Johnson**

**A RESOLUTION**

1 **Proposing amendments to the Constitution of the State of Alaska relating to the**  
2 **production tax revenue fund, dedicating a portion of the petroleum production tax to**  
3 **the fund, and limiting appropriations from the fund.**

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

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

7 **Section 18. Production Tax Revenue Fund.** (a) There is established as a  
8 separate fund in the State treasury the production tax revenue fund. Except for money  
9 deposited into the budget reserve fund under Section 17(a) of this article, all money  
10 received by the State after June 30, 2007, and before January 1, 2015, that is  
11 attributable to an oil and gas production tax levied at a rate that increases as the  
12 taxable value of the oil or gas increases and that is in addition to the money received  
13 by the State that is attributable to the nominal or base oil and gas production tax rate  
14 shall be deposited into the production tax revenue fund. Money in the production tax  
15 revenue fund shall be invested so as to yield competitive market rates to the fund.

1 Income of the fund shall be retained in the fund. Section 7 of this article does not  
2 apply to deposits made to the fund under this subsection.

3 (b) Appropriations of money may be made to the production tax revenue fund  
4 at any time. Money appropriated to the fund shall be treated the same as money  
5 deposited to the fund under (a) of this section.

6 (c) Beginning on July 1, 2013, and on July 1 of each year thereafter, an  
7 amount equal to five percent of the average of the fiscal year-end market values of the  
8 production tax revenue fund for the first five of the preceding six fiscal years shall be  
9 transferred from the production tax revenue fund to the general fund. No other  
10 transfers or appropriations may be made from the fund.

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

13 **Section 30. Production Tax Revenue Fund: Transition.** Notwithstanding the  
14 2008 amendment relating to transfers from the production tax revenue fund (art. IX,  
15 sec. 18(c)) the amount to be transferred to the general fund on

16 (1) July 1, 2013, equals five percent of the average of the fiscal year-  
17 end market values of the production tax revenue fund for fiscal years 2009, 2010, and  
18 2011; and

19 (2) July 1, 2014, equals five percent of the average of the fiscal year-  
20 end market values of the production tax revenue fund for fiscal years 2009, 2010,  
21 2011, and 2012.

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