

SENATE JOINT RESOLUTION NO. 8

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR MCGUIRE

Introduced: 3/23/11

Referred: Resources, Finance

A RESOLUTION

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

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

7 * **Section 1.** Article IX, sec. 7, Constitution of the State of Alaska, is amended to read:

8 **Section 7. Dedicated Funds.** The proceeds of any state tax or license shall not
9 be dedicated to any special purpose, except as provided in **Sections 15 and 18**
10 [SECTION 15] of this article or when required by the federal government for state
11 participation in federal programs. This provision shall not prohibit the continuance of
12 any dedication for special purposes existing upon the date of ratification of this section
13 by the people of Alaska.

14 * **Sec. 2.** Article IX, Constitution of the State of Alaska, is amended by adding a new
15 section to read:

1 **Section 18. Gas Revenue Endowment Fund.** (a) There is established as a
2 separate fund in the State treasury the gas revenue endowment fund. Notwithstanding
3 Sections 15 and 17(a) of this article, twenty-five percent of all mineral royalty
4 proceeds and tax proceeds, including payments in lieu of royalties or severance taxes
5 whether taken in kind or value, received by the State from natural gas produced on the
6 North Slope shall be deposited into the gas revenue endowment fund. Except as
7 appropriated under (b) of this section, money in the fund shall be used only for those
8 income-producing investments specifically designated by law as eligible for fund
9 investments.

10 (b) Appropriations from the gas revenue endowment fund for a current fiscal
11 year may not exceed five percent of the average of the market values of the fund on
12 June 30 for the number established by law of consecutive fiscal years that preceded
13 the fiscal year that immediately preceded the current fiscal year.

14 (c) An appropriation from the fund may be made for energy infrastructure
15 facilities for the generation, transmission, development, transportation, conversion, or
16 use of energy resources within the State.

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