

Original sponsor: Haugen, Specking
and Eliason

Offered: 4/2/74
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to renewable resources funds; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. RENEWABLE RESOURCES FUNDS.

11 Sec. 37.11.010. ALASKA RENEWABLE RESOURCES DEVELOPMENT FUND.

12 There is established as a separate fund the Alaska renewable resources
13 development fund. Funds apportioned by sec. 20 of this chapter for
14 deposit in the Alaska renewable resources development fund are to
15 guarantee the enhancement and development of the state's renewable
16 resources.

17 Sec. 37.11.020. FUND AUTHORIZATION LEVEL. Not less than five per
18 cent of the receipts paid the state from mineral lease bonuses and
19 rentals for state land and royalties derived from minerals produced on
20 state land shall be deposited in the Alaska renewable resources develop-
21 ment fund. These deposits shall be invested in accordance with
22 AS 37.10.070 (investment of surplus state funds) and the resulting
23 interest shall accrue to the fund.

24 Sec. 37.11.030. FUND UTILIZATION. Appropriations from this fund
25 shall provide funding for capital and operating expenditures for the
26 rehabilitation, enhancement and development of renewable resources
27 programs. Plans for expenditures from this fund shall be submitted by
28 the governor in accordance with the Executive Budget Act (AS 37.07) as
29 part of his annual budget presentation to the legislature.

1 Sec. 37.11.040. FUND BALANCES. Unappropriated or otherwise
2 unencumbered balances remaining in the Alaska renewable resources
3 development fund at the close of each fiscal year shall be transferred
4 to the Alaska renewable resources permanent fund.

5 Sec. 37.11.050. ALASKA RENEWABLE RESOURCES PERMANENT FUND. There
6 is established as a separate fund the Alaska renewable resources per-
7 manent fund. Funds apportioned by sec. 60 of this chapter for deposit
8 in the permanent fund are to be held perpetually in trust for the
9 benefit of both present and future generations of Alaskans.

10 Sec. 37.11.060. FUND PRINCIPAL. Unappropriated or otherwise
11 unencumbered balances remaining in the Alaska renewable resources
12 development fund at the close of each fiscal year shall be deposited
13 in the permanent fund. These deposits shall be considered fund prin-
14 cipal and shall be invested in perpetuity in accordance with AS 37.10.070
15 (investment of surplus state funds).

16 Sec. 37.11.070. UTILIZATION OF FUND INCOME. Income received from
17 investment of permanent fund principal shall not be held in trust, but
18 shall be used to provide funding for capital and operating appropriations
19 for the rehabilitation, enhancement and development of renewable
20 resources programs. Plans for expenditures from fund income shall be
21 prepared in detail by the appropriate state department or agency and
22 shall be submitted by the governor in accordance with the Executive
23 Budget Act (AS 37.07) as part of his annual budget presentation to the
24 legislature.

25 Sec. 37.11.080. PROTECTION OF PRINCIPAL. A transaction involving
26 permanent fund principal which results in an actual dollar loss of
27 principal shall be reimbursed in full from fund income before any
28 additional income is expended.

29 * Sec. 2. On June 30 of the fiscal year in which the balance in the

1 Alaska renewable resources permanent fund (AS 37.11.050) reaches the sum of
2 \$250,000,000, AS 37.11.010 - 37.11.040 are repealed and the unexpended and
3 unobligated balance in the Alaska renewable resources development fund
4 (AS 37.11.010) lapses into the general fund.

5 * Sec. 3. This Act takes effect July 1, 1978 with respect to rentals and
6 royalties, and July 1, 1975 with respect to lease bonuses.

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