

Introduced: 6/6/75  
Referred: Finance

1 IN THE HOUSE

BY MILLER, DUNCAN, BRADNER AND  
GARDINER

2 HOUSE JOINT RESOLUTION NO. 40

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska, establishing the  
7 Alaska Resource Investment Fund.

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

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

11 SECTION 7. DEDICATED FUNDS. Except as provided in Section 15 of  
12 this Article, the [THE] proceeds of any state tax or license shall not  
13 be dedicated to any special purpose, except when required by the  
14 federal government for state participation in federal programs. This  
15 provision shall not prohibit the continuance of any dedication for  
16 special purposes existing upon the date of ratification of this consti-  
17 tution by the people of Alaska.

18 \* Sec. 2. Article IX of the Constitution of the State of Alaska is  
19 amended by adding a new section to read:

20 SECTION 15. ALASKA RESOURCE INVESTMENT FUND. There is created  
21 the Alaska Resource Investment Fund which consists of all money in  
22 excess of \$500,000,000 received by the State each fiscal year from  
23 a combination of bonuses, severance taxes, royalties, rentals under  
24 leases, and sales of nonrenewable resources. This fund is subject to  
25 appropriation only upon approval of two-thirds majority of each house  
26 of the legislature, but nothing prevents the fund from being used  
27 without legislative approval as security for the full faith and credit  
28 of the State (1) for present and future indebtedness of the State or  
29 its political subdivisions, and (2) other purposes authorized by law.

1 The fund shall be invested for maximum long-term return with parti-  
2 cular attention to be given investments in the State. Investments in  
3 other than common or preferred stocks shall be made by the commissioner  
4 of revenue in accordance with the standards observed by men of ordinary  
5 prudence, discretion, intelligence, and experience, when investing,  
6 and not speculating with, their own funds. Except for amounts needed  
7 to pay the expenses of administration, all income produced from invest-  
8 ments becomes part of the general fund. Amounts may be withdrawn as  
9 needed to pay for bonds in default and other purposes authorized by  
10 law for which the fund has been given as security. No other withdrawals  
11 may be made from the fund.

12 \* Sec. 3. The amendment proposed by this resolution shall be placed  
13 before the voters of the state at the next general election in conformity  
14 with sec. 1, art. XIII of the Constitution of the State of Alaska, and the  
15 state election laws.