

BY REP. FINKELSTEIN

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 81

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Constitu-
6 tion of the State of Alaska relating to
7 the budget reserve fund.

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

9 * Section 1. Article IX, Constitution of the State of Alaska, is amend-
10 ed by adding a new section to read:

11 SECTION 17. BUDGET RESERVE FUND. (a) All money received by the
12 State as a result of the termination through settlement, or otherwise,
13 of litigation in State or federal court involving mineral lease rent-
14 als, royalties, royalty sale proceeds, or federal mineral revenue
15 sharing payments or bonuses, that is not dedicated to the permanent
16 fund under Section 15 of this article shall be deposited in the budget
17 reserve fund. All money in the treasury on the last day of the fiscal
18 year that has not been appropriated or obligated shall be deposited in
19 the budget reserve fund. Appropriations may be made to the budget
20 reserve fund at any time. Appropriations from the budget reserve fund
21 may only be made if authorized under (c) or (d) of this section.

22 (b) Money in the fund shall be invested only in those income-
23 producing investments designated by law as eligible for budget reserve
24 fund investments. Income from investments shall be retained in the
25 fund.

26 (c) If money available for appropriations during a fiscal year
27 is less than the amount of appropriations made for the previous fiscal
28 year reduced by three percent and adjusted for changes, derived from
29 federal indices as prescribed by law, in population and inflation

1 since the previous fiscal year, an appropriation may be made from the
2 budget reserve fund for that fiscal year. An appropriation under this
3 subsection may not exceed the amount necessary, when added to other
4 funds available for appropriation, to provide for appropriations equal
5 to the amount of appropriations made for the previous fiscal year
6 reduced by three percent and adjusted for changes, derived from feder-
7 al indices as prescribed by law, in population and inflation since the
8 previous fiscal year.

9 (d) The legislature may by affirmative vote of two-thirds of the
10 membership of each house appropriate money from the budget reserve
11 fund to meet a disaster emergency declared by the governor as pre-
12 scribed by law.

13 * Sec. 2. The amendment proposed by this resolution shall be placed
14 before the voters of the state at the next general election in conformity
15 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
16 tion laws of the state.