

Original sponsor(s): SEN. RODEY, Faiks

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE JOINT RESOLUTION NO. 72 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION
5 Proposing amendments to the Constitution
6 of the State of Alaska relating to an
7 economic development 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. ECONOMIC DEVELOPMENT FUND. (a) The economic devel-
12 opment fund is established. Notwithstanding Section 7 of this arti-
13 cle, the economic development fund consists of one percent of the
14 annual receipts of
15 (1) mineral lease rentals, royalties, royalty sale pro-
16 ceeds, and net profit shares from oil and gas leases on State land
17 entered into after June 30, 1991, and federal mineral revenue sharing
18 payments received by the State from leases entered into after June 30,
19 1991;
20 (2) bonuses received by the State on production from leases
21 entered into after June 30, 1991; and
22 (3) net revenue from State taxes levied and collected by
23 the State on the production of oil and gas from oil and gas reserves
24 in the State from which production begins after June 30, 1991.
25 (b) Notwithstanding Section 7 of this article, the legislature
26 may appropriate from the fund established by (a) of this section only
27 to make loans from the economic development fund for economic develop-
28 ment purposes that are authorized by law, and money received as repay-
29 ment of principal and interest on loans from the economic development

1 fund shall be deposited into the fund. The legislature shall provide
2 by law for the management and investment of the fund balance.

3 (c) In addition to amounts required to be set aside under (a) of
4 this section, the legislature may appropriate from the treasury to the
5 economic development fund.

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

8 SECTION 29. RECONSIDERATION OF AMENDMENT ESTABLISHING ECONOMIC
9 DEVELOPMENT FUND. (a) Notwithstanding Section 1 of Article XIII, the
10 lieutenant governor shall place on the ballot of the general election
11 in the year 2000 the question: "Shall the Economic Development Fund
12 established by Section 17 of Article IX, Constitution of the State of
13 Alaska, be indefinitely extended?"

14 (b) If a majority of the votes cast on the ballot question
15 submitted to the voters under (a) of this section are in the negative,
16 the provisions of Section 17 of Article IX are repealed July 1, 2001,
17 and the balance of the economic development fund established under
18 Section 17 of Article IX as it exists on July 1, 2001, and all money
19 thereafter received as repayment of principal and interest on loans
20 from that fund shall be deposited in the state treasury unless other-
21 wise appropriated by the legislature.

22 * Sec. 3. The amendments proposed by secs. 1 and 2 of this resolution
23 shall be placed before the voters of the state at the next general election
24 in conformity with art. XIII, sec. 1, Constitution of the State of Alaska,
25 and the election laws of the state.