

HOUSE JOINT RESOLUTION NO. 38

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 4/3/91

Referred: State Affairs, Judiciary, Finance

A RESOLUTION

**1 Proposing amendments to the Constitution of the State of Alaska creating a debt
2 retirement fund.**

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

**4 * Section 1. Article IX, Constitution of the State of Alaska, is amended by adding a new section to
5 read:**

**6 SECTION 18. ALASKA DEBT RETIREMENT FUND. (a) The following revenue not
7 dedicated to the permanent fund under section 15 of this article or the budget reserve fund under
8 section 17 of this article shall be placed in a separate Alaska debt retirement fund in the state
9 treasury:**

**10 (1) 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, net
11 profit shares, and federal mineral revenue sharing payments received by the state from mineral
12 leases issued on or before December 1, 1979, and 25 percent of all bonuses received by the state
13 from mineral leases issued on or before February 15, 1980; and**

**14 (2) 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net
15 profit shares, and federal mineral revenue sharing payments received by the state from mineral
16 leases issued after December 1, 1979, and 50 percent of all bonuses received by the state from
17 mineral leases issued after February 15, 1980.**

1 (b) Interest earned by the state on money described in (a)(1) and (2) of this section
2 before that money is deposited in the fund accrues to the fund. Interest earned on amounts in
3 the fund accrues to the fund.

4 (c) Appropriations from the fund may be made only for

5 (1) the annual payment of principal, interest, and redemption premium on state
6 general obligations;

7 (2) the reimbursement of municipalities for the annual payment of principal and
8 interest on municipal general obligations, if the reimbursement is authorized by law; and

9 (3) if a balance remains after the payments authorized in (1) and (2) of this
10 subsection, to finance the design and construction of capital projects.

11 * Sec. 2. Article IX, sec. 7, Constitution of the State of Alaska, is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or license shall not
13 be dedicated to any special purpose, except as provided in Sections [SECTION] 15, 17, and 18
14 of this article or when required by the federal government for state participation in federal
15 programs. This provision shall not prohibit the continuance of any dedication for special
16 purposes existing upon the date of ratification of this section by the people of Alaska.

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