

**SENATE CS FOR CS FOR HOUSE BILL NO. 58(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 2/22/94  
Referred: Rules**

**Sponsor(s): HOUSE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

**1 "An Act relating to the budget reserve fund established under art. IX, sec. 17,  
2 Constitution of the State of Alaska."**

**3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**4 \* Section 1. AS 37.10 is amended by adding new sections to read:**

**5 ARTICLE 6. BUDGET RESERVE FUND.**

**6 Sec. 37.10.410. ADMINISTRATIVE PROCEEDINGS INVOLVING TAXES.**

**7 (a) The following money received by the state is considered to be received as a result  
8 of the termination of an administrative proceeding for purposes of applying art. IX,  
9 sec. 17(a), Constitution of the State of Alaska:**

**10 (1) past due taxes that are received by the state for each tax year for  
11 which a request for an informal conference under AS 43.05.240(a) is made to the  
12 Department of Revenue, together with penalties and interest on the taxes;**

**13 (2) past due taxes that are received by the state after a request for a  
14 formal hearing under AS 43.05.240(b)(1) is made to the Department of Revenue,**

1 together with penalties and interest on the taxes.

2 (b) Money received by the state under the following conditions is not  
3 considered to be received as the result of the termination of an administrative  
4 proceeding for purposes of applying art. IX, sec. 17(a), Constitution of the State of  
5 Alaska:

6 (1) taxes that are not due at the time the request for the proceeding was  
7 made under AS 43.05.240(a) or (b)(1);

8 (2) taxes set out in a return not audited by the Department of Revenue  
9 at the date of collection; or

10 (3) taxes collected for a tax year for which the taxpayer did not give  
11 notice of appeal of an assessment made by the Department of Revenue.

12 Sec. 37.10.420. MONEY AVAILABLE FOR APPROPRIATION. (a) For  
13 purposes of applying art. IX, sec. 17(b), Constitution of the State of Alaska,

14 (1) "the amount available for appropriation" or "funds available for  
15 appropriation" means

16 (A) the unrestricted revenue accruing to the general fund during  
17 the fiscal year;

18 (B) general fund program receipts as defined in AS 37.05.146;

19 (C) the unreserved, undesignated general fund balance carried  
20 forward from the preceding fiscal year that is not subject to the repayment  
21 obligation imposed by art. IX, sec. 17(d), Constitution of the State of Alaska;  
22 and

23 (D) the balance in the statutory budget reserve fund established  
24 in AS 37.05.540;

25 (2) "the amount appropriated for the previous fiscal year" means the  
26 amount appropriated from the

27 (A) constitutional budget reserve fund under the authority  
28 granted in art. IX, sec. 17, Constitution of the State of Alaska; and

29 (B) same revenue sources used to calculate the money available  
30 for appropriation for the current fiscal year; and

31 (3) "the amount of appropriations made in the previous calendar year

1 for the previous fiscal year" means appropriations made from sources identified in (2)  
2 of this subsection for a fiscal year that were enacted during the calendar year that ends  
3 on December 31 of that same fiscal year.

4 (b) If the amount appropriated from the budget reserve fund has not been  
5 repaid under art. IX, sec. 17(d), Constitution of the State of Alaska, the Department  
6 of Administration shall transfer to the budget reserve fund the amount of money  
7 comprising the unreserved, undesignated general fund balance to be carried forward  
8 as of June 30 of the fiscal year, or as much of it as is necessary to complete the  
9 repayment. The transfer shall be made on or before December 16 of the following  
10 fiscal year.

11 (c) In this section, "unrestricted revenue accruing to the general fund" or  
12 "unreserved, undesignated general fund balance carried forward" is money not  
13 restricted by law to a specific use that accrues to the general fund according to  
14 accepted principles of governmental or fund accounting adopted for the state  
15 accounting system established under AS 37.05.150 in effect on July 1, 1990.

16 (d) An appropriation under art. IX, sec. 17(b), Constitution of the State of  
17 Alaska, requires an affirmative vote of the majority of the members of each house of  
18 the legislature. An appropriation under art. IX, sec. 17(c) requires an affirmative vote  
19 of three-fourths of the members of each house of the legislature.

20 \* Sec. 2. The provisions of sec. 1 of this Act, are declaratory of existing law and represent  
21 the intent of the legislature when the Sixteenth Alaska State Legislature passed Senate Joint  
22 Resolution No. 5 (HCS CSSSSJR 5(FIN) am H), proposing an amendment to art. IX,  
23 Constitution of the State of Alaska, creating the budget reserve fund in 1990.