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Introduced: 2/4/81
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

HOUSE BILL NO. 69

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - FIRST SESSION

A BILL

6 For an Act entitled: "An Act making a special appropriation to the Alaska
7 Permanent Fund; and providing for an effective date."

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

9 * Section 1. The sum of \$1,800,000,000 is appropriated from the general
10 fund to the Alaska permanent fund (art. IX, sec. 15, Alaska Constitution).

11 * Sec. 2. The appropriation made by sec. 1 of this Act is not a one-year
12 appropriation and does not lapse under AS 37.25.010.

13 * Sec. 3. This Act takes effect July 1, 1981.

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14869

January 12, 1981

Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill appropriating \$1.8 billion to the permanent fund.

I believe that it is appropriate that Alaska set aside this portion of its oil wealth so that its earnings can provide an increased income stream for the benefit of all Alaskans. The Legislature determined that dividends should be worth a minimal \$50 each. This contribution will provide sufficient earnings to meet that commitment without having to borrow from the general fund. Should we not make such provision, our legal case may be weakened.

In addition to providing increased dividends for distribution to our citizens, these earnings can also help sustain the cost of government services after our oil reserves diminish. By retaining the value of this finite resource and spending only its earnings we can make certain that Alaskans can benefit from this resource in perpetuity.

Sincerely,

S/JS11

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

HOUSE BILL NO. 69

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act making a special appropriation to the Alaska Permanent Fund; and providing for an effective date."

Spec appro, Alaska Permanent Fund

Introduced in the House ... 2/4 ... 19 81

HISTORY IN THE HOUSE

19 81

Feb 4

Read first time and referred to Committee on Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment thus adopting:
VOTE

Failed to concur in Senate amendment; asked Senate to recede
VOTE

Senate receded from amendment
VOTE

Senate failed to recede from amendment
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House
VOTE

CC adopted by Senate
VOTE

To enrolling
Reported correctly enrolled
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

HB 69

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 69

Title Making a special appropriation to the Alaska Permanent Fund

Requested by House Finance Committee Date 2/4/81

II. FISCAL DETAIL

Agency Affected Dept. of Revenue/Ak. Permanent Fund Corp.

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Treasury Management

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		27.5	30.3	33.3	36.6	40.3
200 TRAVEL						
300 CONTRACTUAL		50.0	55.0	60.5	66.6	73.3
400 COMMODITIES						
500 EQUIPMENT		2.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	80.0	85.3	93.8	103.2	113.6

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	-0-	80.0	85.3	93.8	103.2	113.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME	-0-	1	1	1	1	1
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill appropriates \$1.8 billion to the Alaska Permanent Fund. This would be accomplished as quickly as possible starting July 1, 1981 in line with prudent cash management and cash flow requirements necessary to finance other state government operations. Payments would be made in several installments.

Above costs include a Loan Closer II to maintain related investment files and documentation because of increased activity in this area; contractual expenditures are for increased safekeeping fees related to marketable securities because of large fund balance increase; equipment is related to new position and additional working file storage.

Anselm C. Staack

IV. DATE February 17, 1981 PREPARED BY Anselm C. Staack, Treasury Comptroller
AGENCY Dept. of Revenue/Treasury Division
PHONE 465-2351

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

1	POSITION TITLE Loan Closer II			RANGE/STEP 12A	BARG. UNIT. G	LOCATION Juneau	GOV.	APPROV.	DISAPP.						
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No. HB 69	PCN No.	PRIORITY	FORM 12	PAGE/LINE	L.H.G.							
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:									
	1	2	3												
4	PERSONAL SERVICES: SALARY 1,761 x 12		21,132	<p>To implement HB69 because Fund will be expanding its investments in loans and mortgages. Additional \$1.8 billion greatly expands the ability of Fund in this area.</p> <p>Responsible for making sure that all necessary and required documentation is included in each investment package in order to assure proper title for the Fund's investment. Assure that all subsequent documentation received after purchase is directed to the proper file, follow-up on late or non receipt of necessary legal documents.</p> <p>Equipment cost includes additional filing cabinets necessary to maintain proper control of increased amount of investment folders.</p>											
5	BENEFITS 21,132 x .1533		3,240												
6	FICA SBP @ .0613		1,295												
7	HEALTH INS. Mo. Fix. 12 x 150		1,800												
8	TOTAL PERSONAL SERVICES		27,467												
9	TRAVEL														
10	CONTRACTUAL														
11	COMMODITIES														
12	EQUIPMENT		2,500												
13	OTHER														
14	TOTAL COST		29,967												
15	CODE	FUNDING SOURCE													
16		FED RCPTS. 1002													
17		GF MATCH. 1003													
18		GEN. FUND 1004		29,967											
19		I-A RCPTS. 1005													
20		PGM RCPTS 1028													
21		OTHER													
21	CONTINUATION														
22	ADDITION		XX	FOR B&M USE ONLY											
4A KEY NUMBER		COLUMN NO.													

AGENCY Department of Revenue PROGRAM Revenue Collection and Management

BRU Treasury Management

13 REQUEST FOR NEW POSITION.

COMPONENT _____

Page 1 of 1

REVISED DATE 2/17/81

FY 82

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