

COMMITTEE REPORT
SENATE

FURTHER:

5/4/86

Date _____

Mr. President

The Committee on FINANCE considered SJR 49

Proposing amendments to the Constitution of the State of Alaska creating the Alaska research development endowment.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

4/21/86

Date 5-2-86

Mr. President

The Committee on RESOURCES considered SJR 49

Proposing amendments to the Constitution of the State of Alaska creating the Alaska research development endowment.

and ~~(a majority of the committee)~~ (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SJR 49 (Res)
new title _____
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation *Same as SB 485.*
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Signature] *no rec.*
[Signature] *10 Rec*
[Signature] *NR*

[Signature]
 Chairman
Do Pass.
 Chairman recommendation

Offered: 5/4/86
Referred: Finance

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE JOINT RESOLUTION NO. 49 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating the
7 Alaska research development endowment.

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

9 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
10 is amended to read:

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

18 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
19 by adding a new section to read:

20 SECTION 17. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. At least 20
21 percent of all royalties and royalty sale proceeds received by the
22 state from natural gas from the area north of the Alaska Range shall
23 be deposited in the Alaska research development endowment; however,
24 the total deposits from royalties and royalty sale proceeds may not
25 exceed \$1,000,000,000. These deposits shall be considered fund
26 principal and shall be invested as provided by law. Income from
27 investment of the endowment shall be available for appropriation as
28 provided by law. Appropriations may not be made from the Alaska
29 research development endowment except for research grants and the
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1 costs of administration as provided by law.

2 * Sec. 3. The amendments proposed by this resolution shall be placed
3 before the voters of the state at the next general election in conformity
4 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
5 tion laws of the state.
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Introduced: 4/21/86
Referred: Resources and
Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE JOINT RESOLUTION NO. 49

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

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20 SECTION 17. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. At least
21 one-third of all royalties and royalty sale proceeds from North Slope
22 natural gas received by the state shall be deposited in the Alaska
23 research development endowment. All income from investment of the
24 endowment shall be deposited in the Alaska research development endow-
25 ment. Appropriations may not be made from the Alaska research devel-
26 opment endowment except for the conduct of research as provided by
27 law.

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date: 5/2/86

REQUEST

Bill/Resolution No: CS SB 480/SJR 49
 Title: Proposing amendments to the Constitution of the State of Alaska creating the Alaska Research Development
 Sponsor: Senate HESS
 Requestor: Senate Resources
 Date of Request: April 29, 1986

FISCAL DETAIL

Agency Affected: Alaska Research Development Endowment
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

FUNDING: (Thousands of Dollars)

GENERAL FUND	(480.0)	(480.0)	(480.0)	(480.0)	(480.0)
FEDERAL FUNDS	-	-	-	-	-
OTHER	-	-	-	-	-
TOTAL	(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

POSITIONS:

FULL-TIME	-	-	-	-	-
PART-TIME	-	-	-	-	-
TEMPORARY	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

This bill dedicates 20% of all state royalties and royalty sale proceeds from North Slope natural gas to the Alaska Research Development Endowment. Currently, approximately \$2.4 million is received by the state from those sources. Consequently, \$480.0 would be dedicated. (2.4 million divided by 2 equals \$480.0)

Prepared By: Charles Loosdon
 Division: Research/Commissioner's Office

Phone: 465-3706
 Date: May 2 1986

Approved by Commissioner: [Signature]
 Agency: Department of Revenue

Date: May 2, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Fiscal Note Analysis
SB 485 and SJR 49

Average expected and risk adjusted contribution to the Alaska
Research Development Endowment as Proposed BY SJR 49 and SB 485 based on
Department of Revenue March 1986 petroleum revenue forecast.

(millions \$)

<u>Fiscal Year</u>	<u>Average Expected North Slope Gas Royalties</u>	<u>30% Case North Slope Gas Royalties</u>	<u>Average Expected Contribution to ARDE</u>	<u>30% Case Contribution to ARDE</u>
1987	2.72	2.72	.544	.544
1988	2.84	2.82	.568	.564
1989	2.74	2.70	.548	.540
1990	2.47	1.31	.494	.262
1991	2.54	1.64	.508	.328
1992	2.64	1.13	.528	.226
1993	5.83	0	.766	0
1994	4.73	0	.946	0
1995	29.95	0	5.99	0
1996	31.45	0	6.29	0
1997	53.14	5.98	10.62	1.19
1998	56.25	6.16	11.25	1.23
1999	59.72	6.46	11.94	1.29
2000	95.79	6.46	19.15	1.29

ALASKA STATE LEGISLATURE

14th Legislature 2nd Session

SENATE JOINT RESOL. NO. 49....

By THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Proposing amendments to the Constitution of the State of Alaska creating the Alaska research development endowment.

Introduced in the Senate ..4/21.., 19..86

HISTORY IN THE SENATE

19 86	Read first time and referred to Committee on												
4 21	Resources & Finance												
5 4	Reported back with <i>resources</i> recommendation that <i>replace w/CS, 3 do pass, 3 no rec to Finance. F.Y. Same as SB 485 - to Finance.</i>												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed Signed by President Sent to House												
	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
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	Reported correctly engrossed Signed by Speaker Returned to Senate												
	CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19	Received from House
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 5/2/86

REQUEST

Bill/Resolution No: SB 485/SJR 49
Title: Proposing amendments to the Constitution of the State of Alaska creating the Alaska Research Development
Sponsor: Senate HESS
Requestor: Senate Resources
Date of Request: April 29, 1986

FISCAL DETAIL

Agency Affected: Alaska Research Development Endowment
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
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FUNDING: (Thousands of Dollars)

GENERAL FUND		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)
FEDERAL FUNDS	-	-	-	-	-	-
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POSITIONS:

FULL-TIME	-	-	-	-	-	-
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Prepared By: Charles Logsdon
Division: Research/Commissioner's Office
Approved by Commissioner: Walter R. Hurdale
Agency: Department of Revenue

Phone: 465-3706
Date: May 2 1986
Date: May 2, 1986

Distribution (by Agency preparing fiscal note):

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Fiscal Note Analysis
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Offered: 5/4/86
Referred: Finance

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE JOINT RESOLUTION NO. 49 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

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Introduced: 4/21/86
Referred: Resources and
Finance

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 SENATE JOINT RESOLUTION NO. 49

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - SECOND SESSION

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Proposing amendments to the Constitution

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