

HB

408

HOUSE COMMITTEE REPORT



(11)

Date Referred: January 9, 1990

FURTHER REFERRALS:

Date of Committee Action: 3/5/90

The FINANCE Committee considered:

HB 408

HOUSE BILL NO. 408

APPROP: BUDGET RESERVE FUND

"An Act making special appropriations to the budget reserve fund; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] have attached amendment(s) [] a new title
- [] do pass
- [] do not pass
- [] no recommendation
- [X] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:
(Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) _____
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Do Not Pass No Rec Amend

[Signature] Hoffman

[Signature] Brown

[Signature] KORDEN

[Signature] Uimer

<u>[Signature]</u> CARSON	Pass if Amend.	✓	
<u>[Signature]</u> SWACKHAMMER	Pass if Amend.	✓	
<u>[Signature]</u> BARNES	Pass if Amend.	✓	Constitutional H.S. 7
<u>[Signature]</u> SHULT	Pass if Amend.	✓	
<u>[Signature]</u> PHILLIPS	Pass if Amend.	✓	
<u>[Signature]</u> RIEGER	Pass if Amend.	✓	
<u>[Signature]</u> WALLIS	Pass if Amend.	✓	

[Signature] CARSON
Chairman's Signature
[Signature] HOFFMAN

BY REP. M. DAVIS, Ulmer, Boyer

1 IN THE HOUSE

2

HOUSE BILL NO. 408

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act making special appropriations to the budget

7

reserve 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 \$61,800,000 is appropriated from the general
10 fund to the budget reserve fund (AS 37.05.540).

11

* Sec. 2. That portion of the money received by the state during fiscal
12 year 1990 from a settlement or a judicial determination of the North Slope
13 royalty case (State v. Amerada Hess, et al.) and not deposited into the
14 Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the public
15 school trust fund under AS 37.14.110 is appropriated to the budget reserve
16 fund (AS 37.05.540).

17

* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).



Alaska State Legislature

Representative Mike Davis

District 19

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TO: All Members
House Finance Committee

FROM: Rep. Mike Davis *Mike*

RE: HB 408

DATE: February 14, 1990

HB 408 is a small bill with a big message. In the simplest of terms it lets Alaskans know that the Legislature is serious about saving for the future.

Under the terms of the bill the projected surplus would be placed in the Budget Reserve Account for use at a later date. Office of Management and Budget's mid case forecast presently puts the surplus at \$61.8 million, but that figure is expected to rise substantially if oil prices continue there current trend.

Monies earned from the settlement of the Amerada Hess dispute would also be deposited in the fund.

With production at Prudhoe Bay on the decline, and revenues projections forecasting a severe drop in just a few years, it is time for the Legislature to act to protect the future interests of Alaskans before it's too late.

Thank you for your consideration.