

HB51

SENATE FINANCE COMMITTEE REPORT

DATE: 5/13/91

FURTHER:

DATE TURNED INTO OFFICE: 5/16/91

Finance Committee considered CS FOR HOUSE BILL NO. 51 (FINANCE)

"An Act making appropriations to the investment loss trust fund; and providing for an effective date."

and recommended:

- replace with _____ CS _____ same title
- or adopt _____ CS _____ new title
- attached amendment(s) technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):
Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

APPROVES PREVIOUS:
Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

[Handwritten Signature]
[Handwritten Signature]
[Handwritten Signature]
[Handwritten Signature]

OTHER RECOMMENDATIONS:

1. *[Handwritten Signature]* 2. *[Handwritten Signature]* Do pass
 Co-Chairs: Signatures and Recommendations

CS FOR HOUSE BILL NO. 51 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/10/91
Referred: Today's Calendar

Sponsor(s): REPRESENTATIVES ULMER, Koponen, B.Davis, Ellis, Brown, Taylor, Grussendorf, Boyer, Kubina

A BILL
FOR AN ACT ENTITLED

1 "An Act making appropriations to the investment loss trust fund; and providing for an
2 effective date."

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

4 * Section 1. The sum of \$45,000,000 is appropriated from the general fund to the investment loss
5 trust fund established in AS 37.14.300.

6 * Sec. 2. The sum determined to be necessary to fulfill the purposes of the trust established in
7 AS 37.14.300, not to exceed \$93,100,000, is appropriated from the budget reserve fund (AS 37.05.540)
8 conditioned upon a determination being made by the commissioners of administration and revenue that
9 the balance available in the investment loss trust fund is insufficient.

10 * Sec. 3. The appropriation made in sec. 2 of this Act is conditioned upon review under the
11 procedures set out in AS 37.07.080(h).

12 * Sec. 4. The amount earned on the investment loss trust fund during the fiscal year ending June 30,
13 1991, is appropriated to the investment loss trust fund.

14 * Sec. 5. The amount earned on the investment loss trust fund during the fiscal year ending June 30,

1 1992, is appropriated to the investment loss trust fund.

2 * Sec. 6. The appropriations made by this Act are for capitalization of a trust fund and lapse under
3 AS 37.14.300.

4 * Sec. 7. Section 2 of this Act takes effect only if a law is enacted by the First Session of the
5 Seventeenth Alaska State Legislature that creates an investment loss trust fund.

6 * Sec. 8. Sections 2 and 7 of this Act take effect on the later of July 1, 1991, or the effective date
7 of an Act enacted by the First Session of the Seventeenth Alaska State Legislature that creates an
8 investment loss trust fund.

9 * Sec. 9. Except as provided in sec. 8 of this Act, this Act takes effect on the effective date of an
10 Act enacted by the First Session of the Seventeenth Alaska State Legislature that creates an investment
11 loss trust fund.

5/16/91

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7-LS0433M
Bannister
5/15/91

SENATE CS FOR CS FOR HOUSE BILL NO. 51 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): **REPRESENTATIVES ULMER, Koponen, B.Davis, Ellis, Brown, Taylor**

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations to the investment loss trust fund; and providing for an
2 effective date."

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

4 * Section 1. The sum of \$45,000,000 is appropriated from the general fund to the investment loss
5 trust fund established in AS 37.14.300.

6 * Sec. 2. The sum determined to be necessary to fulfill the purposes of the trust established in
7 AS 37.14.300, not to exceed \$93,100,000, is appropriated from the budget reserve fund established under
8 art. IX, sec. 17, Constitution of the State of Alaska, conditioned upon a determination being made by
9 the commissioners of administration and revenue that the balance available in the investment loss trust
10 fund is insufficient.

11 * Sec. 3. The appropriation made in sec. 2 of this Act is conditioned upon review under the
12 procedures set out in AS 37.07.080(h).

13 * Sec. 4. The amount earned on the investment loss trust fund during the fiscal year ending June 30,
14 1991, is appropriated to the investment loss trust fund.

1 * Sec. 5. The amount earned on the investment loss trust fund during the fiscal year ending June 30,
2 1992, is appropriated to the investment loss trust fund.

3 * Sec. 6. The appropriations made by this Act are for capitalization of a trust fund and lapse under
4 AS 37.14.300.

5 * Sec. 7. Section 2 of this Act takes effect only if a law passed by the First Session of the
6 Seventeenth Alaska State Legislature that creates an investment loss trust fund becomes law, and if sec.
7 2 receives the affirmative vote of three-quarters of the membership of each house of the legislature.

8 * Sec. 8. Sections 2 and 7 of this Act take effect on the later of July 1, 1991, or the effective date
9 of an Act enacted by the First Session of the Seventeenth Alaska State Legislature that creates an
10 investment loss trust fund.

11 * Sec. 9. Except as provided in sec. 8 of this Act, this Act takes effect on the effective date of an
12 Act enacted by the First Session of the Seventeenth Alaska State Legislature that creates an investment
13 loss trust fund.

Amendment to HB 51

by Adams

5-15-91
AA
Amend #1
withdrawn

Page 1, line 1:

delete "general fund", insert "science and technology fund" (AS
37.17.010)

5-15-91

AA

Amend #2

H

Draft sec (Fix)
incorporating
this amendment
being prepared
by Susie.

Amendment to HB 51

by Adams

Page 1, line 7:

delete "(AS 37.05.540), insert "established under Article IX, Section
17, Constitution of the State of Alaska"

STATE OF ALASKA

THE LEGISLATURE

1990

Source
HCS CSSSSJR 5() am H

Legislative
Resolve No.
129

it, this Act takes effect



Proposing an amendment to the Constitution of the State of Alaska relating to the budget reserve fund; depositing into the budget reserve fund, except for money deposited into the permanent fund, all money received by the state after July 1, 1990, as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation in state or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property; allowing an appropriation from the fund only if the amount available for appropriation for a fiscal year is less than the amount appropriated for the previous fiscal year or upon the affirmative vote of three-fourths of the members of each house of the legislature.

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

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

SECTION 17. BUDGET RESERVE FUND. (a) There is established as a separate fund in the State treasury the budget reserve fund. Except for money deposited into the permanent fund under Section 15 of this article, all money received by the State after July 1, 1990, as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation in a State or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property, shall be deposited in the budget reserve fund. Money in the budget reserve fund shall be invested so as to yield competitive market rates to the fund. Income of the fund shall be retained in the fund. Section 7 of this article does not apply to deposits made to the fund under this subsection. Money may be appropriated from the fund only as authorized under (b) or (c) of this section.

(b) If the amount available for appropriation for a fiscal year is less than the amount appropriated for the previous fiscal year, an appropriation may be made from the budget reserve fund. However, the amount appropriated from the fund under this subsection may not exceed the amount necessary, when added to other funds available for appropriation, to provide for total appropriations equal to the amount of appropriations made in the previous calendar year for the previous fiscal year.

(c) An appropriation from the budget reserve fund may be made for any public purpose upon affirmative vote of three-fourths of the members of each house of the legislature.

(d) If an appropriation is made from the budget reserve fund, until the amount appropriated is repaid, the amount of money in the general fund available for appropriation at the end of each succeeding fiscal year shall be deposited in the budget reserve fund. The legislature shall implement this subsection by law.

* Sec. 2. The amendment proposed by this resolution shall be placed before the voters of the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the State of Alaska, and the election laws of the state.

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

May 10, 1991

TO: All Members
House of Representatives

FROM: Rep. Fran Ulmer

RE: HB 51 (FIN) "An act making appropriations to the investment loss trust fund; and providing for an effective date."

This bill is the funding mechanism for HB 221; "An act creating the investment loss trust fund."

HB 51 appropriates \$45,000,000 in FY 91 dollars from the General Fund for initial capitalization of the investment loss fund. It also allows for the deposit of up to \$93,100,000 from the statutory budget reserve fund, as necessary, to make whole the members of the SBS system affected by the possible insolvency of Executive Life Insurance Company of California.

Each deposit to the fund is conditioned on the determination by the Commissioners of Administration and Revenue that the balance of the fund is insufficient. Any unexpended funds will be returned to the budget accounts from which they were drawn.

Thank you for your consideration.

