

SB

84

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/10/95

FURTHER:

Date of 5-Day Notice: 2-16-95
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-9-95

The Finance Committee considered SENATE BILL NO. 84

"An Act making a special appropriation to the principal of the permanent fund; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 84 (Fin)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:
 same title
 new title
 House Bill:
 technical change
 new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Paul E. Kelly</i>	<input checked="" type="checkbox"/>	<i>These items do not pass</i>			
<i>Bob Murray</i>	<input checked="" type="checkbox"/>	<i>- until inflation-proofing has first priority on annual earnings</i>			
		<i>David Donley</i>			<input checked="" type="checkbox"/>
		<i>Should be reviewed by Financial Planning Commission before being the consideration.</i>			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>Frank F. Stewart (same comments as above)</i>			
Co-Chair: <i>Rich Hubbard</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

<i>DOR (AARC) Advisory</i>	<i>2/23/95</i>	<input checked="" type="checkbox"/>	

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 84

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act making a special appropriation to the BRU: APFC
principal of the permanent fund; and providing for an effective date. Component: APFC
 Sponsor: Senator Halford
 Requester: Senate Finance COMPONENT SERIAL NO. 109

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Martin R. Pihl, Acting Executive Director *Martin R. Pihl* Phone: 465-2047
 Division: Alaska Permanent Fund Corporation Date: 2/22/95
 Approved by: _____
 Commissioner: Deborah Voigt *Deborah Voigt* Date: 2/22/95
 Agency: Revenue

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3/9/95
Adopted
RP
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2/23/95

CS FOR SENATE BILL NO. 84(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsors: SENATORS HALFORD, Phillips, Sharp, Green, Frank, Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act making a special appropriation to the principal of the permanent fund; and
2 providing for an effective date."

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

4 * Section 1. Except for \$250,000,000, the unappropriated balance of the earnings reserve
5 account (AS 37.13.145) is appropriated from the earnings reserve account to the principal of the
6 permanent fund.

7 * Sec. 2. This Act takes effect June 30, 1995.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 84

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act making a special appropriation to the BRU: APFC
principal of the permanent fund; and providing for an effective date. Component: APFC
 Sponsor: Senator Halford
 Requester: Senate Finance COMPONENT SERIAL NO. 109

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

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1003 GF Match						
1004 GF						
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Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Martin R. Pihl, Acting Executive Director *Martin R. Pihl* Phone: 465-2047
 Division: Alaska Permanent Fund Corporation Date: 2/22/95
 Approved by: _____
 Commissioner: Deborah Vogt *Deborah Vogt* Date: 2/22/95
 Agency: Revenue

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*New fiscal note
Not really needed for
approp. bill.*

CS FOR SENATE BILL NO. 84(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsors): SENATORS HALFORD, Phillips, Sharp, Green, Frank, Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the deposit from the earnings reserve account to the
2 principal of the permanent fund; and providing for an effective date."

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

4 * Section 1. AS 37.13.145(a) is amended to read:

5 (a) The earnings reserve account is established as a separate account in the
6 fund. Income from the fund shall be deposited by the corporation into the account as
7 soon as it is received. Money in the account shall be invested in investments
8 authorized under AS 37.13.120. On June 30 of each year after the transfers under
9 (b) and (c) of this section, the amount in the account that exceeds \$250,000,000
10 shall be transferred by the corporation to the principal of the fund.

11 * Sec. 2. This Act takes effect June 30, 1995.

**Preliminary estimate of funds available for appropriation for FY96 for illustrative purposes
(in millions of dollars)**

Unrestricted general fund revenues, DOR Fall 1994 forecast, base case @ \$16.72	1,959.3
General fund program receipts/adjustments to revenue	39.6
Federal and other program receipts, estimate based on FY95 enacted appropriations -	2,110.9
Permanent Fund Earnings Reserve, per January 31, 1995 Permanent Fund financial projections	1,146.0
Science and Technology Endowment, corpus	101.0
Appropriable GF sub-account balances: Includes rough estimates of the 6/30/95 balances of the PCE&RE fund of 60.0, the AMHS fund of 40.0, the Vessel Replacement fund of 2.0 and an estimated 13.0 for the remaining general fund subaccounts. Additional subsidiary accounts and amounts need to be identified and included.	115.0
Total estimated funds available including the permanent fund earnings reserve	5,471.8
Total estimated funds available excluding the permanent fund earnings reserve	4,325.8
FY95 Appropriations as enacted (excluding FY94 supplementals):	
Operating	3,655.7
Capital	692.4
Debt	138.8
Specials/Fund Transfers	281.2
Loans	9.9
Total FY95 appropriations	4,778.0
Funds available less FY95 appropriations	693.8
Funds available less FY95 appropriations, if permanent fund earnings reserve is excluded	(452.2)