

HB

89

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 89
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February 9, 1999

The Honorable Brian Porter
Senate President
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker ^{Brian} Porter:

This bill is a key part of the Alaska Balanced Budget Plan I am submitting today. It calls for an advisory vote to be held June 1 of this year on the question of whether the legislature should appropriate \$4 billion dollars from the Earnings Reserve Account (ERA) of the Permanent Fund to the Constitutional Budget Reserve (CBR).

I have also introduced a bill to appropriate \$4 billion dollars to provide sustainable revenue for a balanced budget. The effective date of that bill is tied to approval of the transfer in a statewide advisory vote.

I have long stated that no changes in the Permanent Fund should occur without a vote of the people. A one-time transfer from the ERA, although not affecting the principal of the Permanent Fund, would impact future earnings of the Fund. Dividends would decrease modestly over the next five years before rising again. Therefore, I believe this proposal should be reviewed and voted on by the public.

We must hold this special election prior to the next fiscal year if we are to take advantage of the booming stock market and help achieve a balanced budget within 18 months. It is imperative the legislature authorize this election expeditiously to ensure sufficient lead-time for the election review by the United States Department of Justice and setting up the election structure. I urge your prompt consideration.

Sincerely,

A handwritten signature in cursive script that reads "Tony Knowles".
Tony Knowles
Governor

FISCAL NOTE

Bill Version: HB 89
 (H) Publish Date: 2/10/99

**STATE OF ALASKA
 1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected Office of the Governor
 Title Advisory Vote on Permanent Fund Earnings BRU Elective Operations
 Component Elections
 Sponsor Rules Committee
 Requester Rules Committee Component Serial No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Personal Services	150.0					
Travel						
Contractual	660.0					
Supplies	29.0					
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	839.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	839.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	839.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 839.0

POSITIONS

Full-time						
Part-time						
Temporary	25					

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes the election will be conducted in person. Contractual services includes: ballot printing (94.0); election boards (334.0) advertising (22.0) shipping and postage (131.0); polling place rental and set-up (21.0); forms (55.0) and microfilming (3.5).

The division believes that it would be very difficult to conduct an in-person election within the proposed timeline.

Prepared by Dana LaTour *D. LaTour* Phone 465-5347
 Division Division of Elections Date/Time 2/8/99 10:41 AM
 Approved by C Lt. Governor Fran Ulmer *F. Ulmer* Date 2/8/99
 Agency Office of the Lieutenant Governor

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Revision Date/Time (Note if correction) _____ Dept. Affected Office of the Governor
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Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Personal Services	50.0					
Travel						
Contractual	464.0					
Supplies	6.0					
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	520.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	520.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	520.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 520.0

POSITIONS

Full-time						
Part-time						
Temporary	15					

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes the election will be conducted by mail. Contractual services includes: ballot printing (94.0); absentee and state review boards (85.0); advertising (15.0); shipping and postage (172.5); and microfilming (6.0).

Prepared by Dana LaTour *D. LaTour* Phone 465-5347
 Division Division of Elections Date/Time 2/8/99 8:59 AM
 Approved by C Lt. Governor Fran Ulmer *F. Ulmer* Date 2/8/99
 Agency Office of the Lieutenant Governor

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