

**HJR**

**20**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: March 28, 2003

FURTHER REFERRALS: Finance

Date of Committee Action: May 8, 2003

The JUDICIARY Committee considered:

HJR 20

HOUSE JOINT RESOLUTION NO. 20

REPEALING PROHIBITION ON DEDICATED FUNDS

Proposing amendments to the Constitution of the State of Alaska repealing the prohibition on dedicated funds.

Recommends it be replaced with [ ] HCS or [X] CS for HJR 20 (JUD)  
 For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR \_\_\_\_\_ [ ] Same Title [X] New Title

- [ ] attach amendments
- [ ] add new referral to \_\_\_\_\_ Committee
- [ ] Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LEG  
 LAW  
 LWF  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 UA

NEW FISCAL NOTES				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
GOV				✓

PREVIOUS FISCAL NOTES				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	SAMUELS			✓	
	Holm			✓	
	Gera		✓	✓	
	Ogg			✓	
	ANDERSON	X			
Chair:	McGUIRE			✓	
Chair:					

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HJR20  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Office of the Governor  
Title Constitutional Amendment repealing the BRU Elections  
prohibition on dedicated funds Component Elections  
Sponsor Representatives Masek, Wilson  
Requester House Judiciary Component No. 21

**Expenditures/Revenues (Thousands of Dollars)**

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual		1.5				
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

FUND SOURCE	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
1002 Federal Receipts						
1003 GF Match						
1004 GF		1.5				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Lauri Allred Phone 465-5347  
Division Division of Elections Date/Time 4/28/03 1:28 PM  
Approved by: Laura A. Glaiser, Director Date 4/28/2003  
Agency Office of the Lt. Governor, Division of Elections

# ALASKA STATE LEGISLATURE

Rep. Lesil McGuire, Chair  
Rep. Tom Anderson, Vice-Chair  
Rep. John Coghill  
Rep. Jim Holm  
Rep. Ralph Samuels  
Rep. Les Gara  
Rep. Max Gruenberg



State Capitol, Room 120  
Juneau, AK 99801-1182  
(907) 465-4990  
Fax (907) 465-6592

## House Judiciary Committee

### Memorandum

**To:** Kathryn Kurtz, Leg. Legal  
**From:** Vanessa Tondini, Committee Aide  
House Judiciary Committee  
**Date:** May 8, 2003  
**Re:** CS Request

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Please create a final draft House Judiciary Committee Substitute for work order # 23-LS0889\D, HJR 20, incorporating the changes written on the attached resolution. The resolution was passed out of committee today.

If you have any questions, please call me at 4990. Thank you!

The information attached to this memo is **CONFIDENTIAL** an/or privileged. It is intended to be reviewed initially by only the individual named above. If the reader of this Memorandum is not the intended recipient or a representative of the intended recipient, you are hereby notified that any review, dissemination, or copying of the information contained herein is prohibited. If you have received this in error, please immediately notify the sender by telephone and return this to the sender at the above address.

23-LS0889D  
Kurtz  
4/2/03

CS FOR HOUSE JOINT RESOLUTION NO. 20( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES MASEK, Wilson

A RESOLUTION

1 Proposing amendments to the Constitution of the State of Alaska creating a highway  
2 fund.

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

4 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska, is repealed and  
5 readopted to read:

6 Section 7. **Dedicated Funds.** The proceeds of any State tax or license shall not  
7 be dedicated to any special purpose. This provision shall not prohibit the continuance of  
8 any dedication for special purposes existing on April 24, 1956, and shall not prohibit the  
9 dedication of revenue under Sections 15 or 18 of this article, or when required by the  
10 federal government for State participation in federal programs.

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

13 Section 18. **Highway Fund.** (a) The revenue received after <sup>Dec 2</sup> ~~June 30, 2008~~ <sup>15</sup> from  
14 State taxes on fuel used for the propulsion of motor vehicles designed for and ordinarily  
15 used on highways or roads, less refunds, credits, and the costs of collection of those taxes  
16 as provided by law, shall be placed in a highway fund. The legislature may appropriate

*Shall*

1 money from the highway fund only for maintenance of roads and highways.

2 (b) The legislature shall provide by law for the management and investment of the  
3 highway fund balance. The income earned from the management and investment of the  
4 highway fund shall be deposited into the fund.

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

# Alaska State Legislature

Committees:

Vice-Chair  
Legislative Counsel  
Resources  
Military & Veterans  
Affairs

Member:  
Transportation



During Interim: (June-Dec)  
Mat-Su LIO  
600 E. Railroad Ave.  
Wasilla, AK 99654  
(907) 376-2679  
Fax: 373-4745

During Session: (Jan-May)  
State Capitol, Room 403  
Juneau, AK 99801-1182  
(907) 465-2679  
Fax: 465-4822  
1-800-505-2678

**Representative Beverly Masek**

DATE: April 8, 2003  
TO: Representative Lisel McGuire  
Chair, House Judiciary Committee  
RE: Hearing Request – HJR 20

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Attached is a copy of HJR 20 and my sponsor statement. I have requested from Division of Elections a fiscal note.

Would you please schedule this resolution for a hearing?

Thank you so much.

# Alaska State Legislature

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Resources  
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Co-Chair:  
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## Representative Beverly Masek

### SPONSOR STATEMENT

#### HJR-20

#### DEDICATED TAXES

HJR 20 was introduced to ask the voting public to support a change in Article IX, Section 7 of Alaska's constitution.

Specifically, if passed by the legislature and adopted at the November, 2004 general election, Article IX, Section 7, would be amended to require all motor fuels taxes generated through the sale of motor fuels to be placed in a constitutionally protected fund for the express purpose of maintaining Alaska's roads and highways.

Alaska's constitution prohibits dedicated funds except for the Permanent Fund, when required to receive federal funds, and for dedicated funds in existence prior to adoption of the constitution.

Amending Alaska's constitution should not be taken lightly and is considered with great trepidation. However, as our state revenues continue their decline, I believe Alaskans are more amenable to contributing to the effort to maintain our road and highway infrastructure if they had assurances the motor fuel taxes levied were utilized for that express purpose.

Motor fuels taxes in all states are dedicated in some fashion for road and highway maintenance. In Alaska, motor fuels taxes are deposited in a special highway fuel tax account within the general fund. However, the legislature may appropriate these funds for other purposes and it is felt by the sponsor that this would be the case with increased motor fuel taxes.