

LEG. FINANCE - BILLS 1985 - 1986 2287  
HCR 50 - HJR 62 2287

**HOUSE  
COMMITTEE REPORT**

(11)

Date referred: 3/7/86

FURTHER REFERRALS:

DATE: \_\_\_\_\_

The FINANCE Committee has considered HCR 50  
Establishing a joint committee on mental health trust land.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with \_\_\_\_\_  same title  
 new title

and recommends \_\_\_\_\_

- further referral to the \_\_\_\_\_ Committee

- and attaches:  letter of intent  
 first fiscal note  
 new fiscal note  
 zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

COMMITTEE REPORT

(7)

Date referred: 2/17/86

FURTHER REFERRALS: FINANCE

DATE: March 4, 1986

HEALTH, EDUCATION AND  
The SOCIAL SERVICES

Committee has considered HCR 50

Establishing a joint committee on mental health trust land.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CSHCR 50 (New)  same title
- new title

and recommends NO OPINION

further referral to the \_\_\_\_\_ Committee

and attaches:

- letter of intent
- first fiscal note Supplement #95
- new fiscal note
- zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Walter Koppen

Walter Koppen

Vice Chair Robert Taylor

Walter Koppen

David W. Simpson

Karen Hurley

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

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\_\_\_\_\_

Walter Koppen co-chairman

Walter Koppen Co-Chair

(Print) J. Hale - 5/29/85

Broddy

Offered: 3/7/86  
Referred: Finance

Original sponsors: Gruenberg, Koponen,  
Hurley, et al

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 50 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Establishing a joint committee on mental  
6 health trust land.

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

8 WHEREAS the United States Congress granted 1,000,000 acres of land to  
9 the Territory of Alaska to be administered as a public trust for the neces-  
10 sary expenses and support of mental health in the territory; and

11 WHEREAS in October 1985, the Alaska Supreme Court determined that the  
12 1978 decision of the Alaska Legislature to redesignate mental health trust  
13 land as general grant land had breached the trust established by the Con-  
14 gress; and

15 WHEREAS the legislature, the administration, and mental health advo-  
16 cates agree that the state must comply with federal law and the Alaska  
17 Supreme Court decision; and

18 WHEREAS the legislature must be involved in the resolution of issues  
19 involving mental health trust land;

20 BE IT RESOLVED by the Alaska State Legislature that a Joint Committee  
21 on Mental Health Trust Land is established under Uniform Rule 21(b); and be  
22 it

23 FURTHER RESOLVED that the Joint Committee on Mental Health Trust Land  
24 is composed of three members of the Senate appointed by the president of  
25 the Senate, and three members of the House of Representatives appointed by  
26 the speaker of the House of Representatives; and be it

27 FURTHER RESOLVED that the Joint Committee on Mental Health Trust Land  
28 develop, after public hearings, a proposal to resolve the mental health  
29 trust litigation and recommend a level of appropriations adequate to

1 provide sufficient funding for mental health programs in the future; and be  
2 it

3 FURTHER RESOLVED that the committee is authorized to meet during and  
4 between sessions of the legislature and is to report its recommendations  
5 and findings on the first day of the First Session of the Fifteenth State  
6 Legislature; and be it

7 FURTHER RESOLVED that the committee terminate on the 10th day of the  
8 First Session of the Fifteenth State Legislature.

*Rodley*

Introduced: 2/17/86  
Referred: Health, Education &  
Social Services and Finance

BY GRUENBERG, KOPONEN, HURLEY,  
TAYLOR, HANLEY, PETTYJOHN AND  
THOMPSON

1 IN THE HOUSE

2 HOUSE CONCURRENT RESOLUTION NO. 50

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Establishing a joint committee on mental  
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COMMITTEE COPY

1 provide sufficient funding for mental health programs in the future; and be  
2 it

3 FURTHER RESOLVED that the committee is authorized to meet during and  
4 between sessions of the legislature and is to report its recommendations  
5 and findings on the first day of the First Session of the Fifteenth State  
6 Legislature; and be it

7 FURTHER RESOLVED that the committee terminates on the 10th day of the  
8 First Session of the Fifteenth State Legislature.

ce  
2/19/86

## STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date: 3/5/86

**REQUEST**

Bill/Resolution No.: HCR 50  
 Title: establish joint committee  
on mental health lands

Sponsor: Gruenberg  
 Requestor: House HESS  
 Date of Request: 3/5/86

**FISCAL DETAIL**

Agency Affected: legislature  
 BRU: \_\_\_\_\_  
 \_\_\_\_\_  
 Components: \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		21.7				
TRAVEL		3.0				
CONTRACTUAL		5.6				
SUPPLIES		.3				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>30.6</b>				

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		30.6				
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>30.6</b>				

**POSITIONS :**

FULL-TIME						
PART-TIME		1				
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

This fiscal note calls for a half-time professional assistant (Range 21A) to work for the committee. Salary for a nine month period is \$17,239.50 plus \$4,482.27 in benefits.

Prepared by: Representative Max F. Gruenberg, Jr. Phone: 465-4968  
 Division: House HESS Committee Date: 3/5/86

Approved by: Co-Chair Date: 3/5/86  
 Agency: House HESS Committee

- Distribution (by Agency preparing fiscal note):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)

ALASKA STATE LEGISLATURE

1986 Legislature SECOND Session

CONCURRENT

HOUSE .. RESOLUTION. NO. 50....

By GRUENBERG, KOPONEN, HURLEY  
TAYLOR, HANLEY, PETTYJOHN,  
THOMPSON

Establishing a joint committee  
on mental health trust land.

mental health trust land

Introduced in the House ..2/17..., 1986..

HISTORY IN THE HOUSE

1986	Read first time and referred to Committee on												
Feb 17	HESS AND FINANCE												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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	Signed by Speaker												
	Sent to Senate												
CHIEF CLERK OF THE HOUSE													

HISTORY IN THE SENATE

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HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor
	..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Offered: 3/7/86  
Referred: Finance

Original sponsors: Gruenberg, Koponen,  
Hurley, et al

1 IN THE HOUSE BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE  
2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 50 (HESS)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 Establishing a joint committee on mental  
6 health trust land.  
7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
8 WHEREAS the United States Congress granted 1,000,000 acres of land to  
9 the Territory of Alaska to be administered as a public trust for the neces-  
10 sary expenses and support of mental health in the territory; and  
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25 the Senate, and three members of the House of Representatives appointed by  
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27 FURTHER RESOLVED that the Joint Committee on Mental Health Trust Land  
28 develop, after public hearings, a proposal to resolve the mental health  
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1 provide sufficient funding for mental health programs in the future; and be  
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3       FURTHER RESOLVED that the committee is authorized to meet during and  
4 between sessions of the legislature and is to report its recommendations  
5 and findings on the first day of the First Session of the Fifteenth State  
6 Legislature; and be it

7       FURTHER RESOLVED that the committee terminates on the 10th day of the  
8 First Session of the Fifteenth State Legislature.

9

Introduced: 2/17/86  
Referred: Health, Education,  
Social Services and Finance

BY GRUENBERG, KOPONEN, HURLEY,  
TAYLOR, HANLEY, PETTYJOHN AND  
THOMPSON

1 IN THE HOUSE

2

HOUSE CONCURRENT RESOLUTION NO. 50

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

Establishing a joint committee on mental

6

health trust land.

7

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

8

WHEREAS the United States Congress granted 1,000,000 acres of land to  
9 the Territory of Alaska to be administered as a public trust for the neces-  
10 sary expenses and support of mental health in the territory; and

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WHEREAS in October 1985, the Alaska Supreme Court determined that the  
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BE IT RESOLVED by the Alaska State Legislature that a Joint Committee  
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24 is composed of three members of the Senate appointed by the president of  
25 the Senate, and three members of the House of Representatives appointed by  
26 the speaker of the House of Representatives; and be it

27

FURTHER RESOLVED that the Joint Committee on Mental Health Trust Land  
28 develop, after public hearings, a proposal to resolve the mental health  
29 trust litigation and recommend a level of appropriations adequate to

1 provide sufficient funding for mental health programs in the future; and be  
2 it

3       FURTHER RESOLVED that the committee is authorized to meet during and  
4 between sessions of the legislature and is to report its recommendations  
5 and findings on the first day of the First Session of the Fifteenth State  
6 Legislature; and be it

7       FURTHER RESOLVED that the committee terminates on the 10th day of the  
8 First Session of the Fifteenth State Legislature.

9



HOUSE  
COMMITTEE REPORT

44/1  
105

(9)

Date referred: 2/17/86

FURTHER REFERRALS: FINANCE

DATE: March 26, 1986

The RESOURCES Committee has considered HCR 52

Relating to state assumption of federally mandated programs.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with \_\_\_\_\_  same title
- new title

and recommends \_\_\_\_\_

further referral to the \_\_\_\_\_ Committee

- and attaches:
- letter of intent
  - first fiscal note
  - new fiscal note
  - zero fiscal note

SIGNING DO PASS: *first*

SIGNING OTHER RECOMMENDATIONS:

Shultz *Dick Shultz*

Herrmann *Albrecht Herrmann*

Thompson *Paul W. Thompson*

Jenkins *Roger Jenkins*

Wallis *F. Kay Wallis*

Cato *Betty Cato*

*[Signature]*

*[Signature]* *Sund*

*[Signature]* *Pearce*

*Dick Shultz*

Co-Chairman Shultz

*Bonville*

Introduced: 2/17/86  
Referred: Resources  
and Finance

1 IN THE HOUSE

BY MARROU

2 HOUSE CONCURRENT RESOLUTION NO. 52

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Relating to state assumption of federal-  
6 ly mandated programs.

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

8 WHEREAS 33 U.S.C. 1342 of the federal Clean Water Act of 1977 (33  
9 U.S.C. 1251 - 1376) allows a state to take over from the federal government  
10 the administration of the Act's permit program for discharges into the  
11 navigable waters within the jurisdiction of the state; and

12 WHEREAS other federal environmental statutes also allow a state to  
13 take over from the federal government the administration of the program  
14 mandated by the statutes; and

15 WHEREAS the state has a better understanding than the federal govern-  
16 ment of the difficult issues that are involved in balancing the protection  
17 of the fragile environment and the promotion of the economic and recre-  
18 ational needs and desires of the state;

19 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
20 respectfully requested to

21 (1) investigate the statutory changes that would be required for  
22 the state to take over from the federal government the federal environ-  
23 mental programs that a state may administer, and the possible advantages  
24 and disadvantages involved in the assumption by the state of the adminis-  
25 tration of the programs; and

26 (2) report the results of the investigation to the First Session  
27 of the Fifteenth Legislature; and be it

28 FURTHER RESOLVED that the Governor is respectfully requested to take  
29 the steps necessary for the state to take over from the federal government

1 under 33 U.S.C. 1342 of the Clean Water Act of 1977 the permit program for  
2 discharges into the navigable waters within the jurisdiction of the state.  
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*4/2*

## STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : HCR 52  
 Title : Relating to state assumption  
of federally mandated programs.  
 \_\_\_\_\_  
 Sponsor : Marrou  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Environmental Conservation  
 BRU : \_\_\_\_\_  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

Prepared by : House Resource Committee Phone : 465-3715  
 Division : Rep. Dick Shultz Date : \_\_\_\_\_

Approved by Commissioner : *Dick Shultz* Date : March 27, 1986  
 Agency : Co-Chair, House Resources Committee

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

ALASKA STATE LEGISLATURE

14th Legislature SECOND Session

CONCURRENT HOUSE RESOLUTION NO. 52

By MARROU

Relating to state assumption of federally mandated programs.

federal programs

Introduced in the House 2/17/86, 19....

HISTORY IN THE HOUSE

19 86	Read first time and referred to Committee on										
Feb 17	RESOURCES AND FINANCE										
	Reported back with recommendation that										
	Read second time and										
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CHIEF CLERK OF THE HOUSE											

HISTORY IN THE SENATE

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	CC appointed by Senate
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	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor
	..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Introduced: 2/17/86  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY MARROU

2

HOUSE CONCURRENT RESOLUTION NO. 52

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

Relating to state assumption of federal-

6

ly mandated programs.

7

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WHEREAS 33 U.S.C. 1342 of the federal Clean Water Act of 1977 (33

9

U.S.C. 1251 - 1376) allows a state to take over from the federal government

10

the administration of the Act's permit program for discharges into the

11

navigable waters within the jurisdiction of the state; and

12

WHEREAS other federal environmental statutes also allow a state to

13

take over from the federal government the administration of the program

14

mandated by the statutes and

15

WHEREAS the state has a better understanding than the federal govern-

16

ment of the difficult issues that are involved in balancing the protection

17

of the fragile environment and the promotion of the economic and recre-

18

ational needs and desires of the state;

19

BE IT RESOLVED by the Alaska State Legislature that the Governor is

20

respectfully requested to

21

(1) investigate the statutory changes that would be required for

22

the state to take over from the federal government the federal environ-

23

mental programs that a state may administer, and the possible advantages

24

and disadvantages involved in the assumption by the state of the adminis-

25

tration of the programs; and

26

(2) report the results of the investigation to the First Session

27

of the Fifteenth Legislature; and be it

28

FURTHER RESOLVED that the Governor is respectfully requested to take

29

the steps necessary for the state to take over from the federal government

1 under 33 U.S.C. 1342 of the Clean Water Act of 1977 the permit program for  
2 discharges into the navigable waters within the jurisdiction of the state.

**HOUSE  
COMMITTEE REPORT**

(11)

Date referred: 2/7/86

FURTHER REFERRALS:

DATE: 2/11/86

The FINANCE Committee has considered HJR 54

Proposing an amendment to the Constitution of the State of Alaska establishing a state officers compensation commission.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 54 (Fin)  same title
- new title

and recommends Individual Recommendations

further referral to the \_\_\_\_\_ Committee

- and attaches:
- letter of intent
  - first fiscal note
  - new fiscal note 2/10/86
  - zero fiscal note

SIGNING DO PASS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNING OTHER RECOMMENDATIONS:

[Signature] NO REC  
[Signature] NO REC.  
[Signature] (NO REC)  
[Signature] NO Recommendation  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
Chairman

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date : 2/10/86

**REQUEST**

Bill/Resolution No. : CSHJR 54 (SB) 710  
 Title : State Officers' Compensation Commission

Sponsor : Larson by request  
 Requestor : House Finance Committee  
 Date of Request : 2/10/86

**FISCAL DETAIL**

Agency Affected : Governor's Office  
 BRU : Lt. Governor's Office

Components : Div. of Elections

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0				
TRAVEL		0				
CONTRACTUAL		0				
SUPPLIES		0				
EQUIPMENT		0				
LAND & STRUCTURES		0				
GRANTS, CLAIMS		0				
MISCELLANEOUS		0				
<b>TOTAL OPERATING</b>		0				

<b>CAPITAL</b>		0				
----------------	--	---	--	--	--	--

<b>REVENUE</b>		0				
----------------	--	---	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		0				
FEDERAL FUNDS		0				
OTHER		0				
<b>TOTAL</b>		0				

**POSITIONS :**

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

**ANALYSIS :** Attach a separate page if necessary

Any funds needed to change the ballot form can be absorbed in the Division's FY 87 budget.

Prepared by : Al Adams, Chair Phone : 465-3706  
 Division : House Finance Committee Date : 2/10/86

Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

**Distribution (by Agency preparing fiscal note) :**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Original sponsor: Larson/Legislative Salaries

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE JOINT RESOLUTION NO. 54 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
7 state officers compensation commission.

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

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

11 SECTION 14. STATE OFFICERS COMPENSATION COMMISSION. The state  
12 officers compensation commission shall consist of seven members ap-  
13 pointed by the governor and subject to confirmation by a majority of  
14 the members of the legislature in joint session. The commission may  
15 revise the salaries, benefits, and expense allowances of members of  
16 the legislature, the governor, lieutenant governor, justices and  
17 judges of the court system, and the head of each principal department,  
18 by submitting a report to the legislature. The salaries, benefits,  
19 and expense allowances established by the commission in the report  
20 take effect on the first day of the next regular legislative session  
21 after the report is submitted to the legislature. However, the legis-  
22 lature may reject any of the salaries, benefits, or expense allowances  
23 by a concurrent resolution adopted by two-thirds of the members in  
24 each house of the legislature. The legislature shall implement this  
25 section by law.

26 \* Sec. 2. Article XV, Constitution of the State of Alaska, is amended  
27 by adding a new section to read:

28 SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1986  
29 amendment creating the state officers compensation commission (art.

1 XII, sec. 14) is adopted, the members of the state officers compen-  
2 sation commission appointed under AS 39.23.200 shall become the mem-  
3 bers of the state officers compensation commission under art. XII,  
4 sec. 14, and any action taken by the commission under AS 39.23.200  
5 shall be considered an action taken by the commission under art. XII,  
6 sec. 14.

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date : 2/10/86

**REQUEST**

Bill/Resolution No. : HJR 54  
 Title : Amend. To Constitution:  
Establishing State Officers  
Compensation Commission  
 Sponsor : Larson/Rqst of Joint Sp.  
 Requestor : Comm. Legislative Salaries  
 Date of Request : 1/24/85

**FISCAL DETAIL**

Agency Affected : Office of Governor  
BRU: Elections  
 Components : II

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		3.3*				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		3.3*				
CAPITAL						
REVENUE						

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		3.3*				
FEDERAL FUNDS						
OTHER						
TOTAL						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

\* Costs included cover 2 to 3 additional pages in each Official Election Pamphlet, for printing and typesetting, and costs estimated to cover computer programming requirements for vote cont.

Prepared by : Linda Edgeworth Phone : 465-4611  
 Division : Elections Date : 1/24/86

Approved by Commissioner : *Walewale* Date : 1/24/86  
 Agency : Office of the Governor/Division of Elections

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

## CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HJR 54

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16¢ per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

54.5

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST Page 1 of 2

Bill/Resolution No.: HJR 54  
 Title: Amend. to Constitution:  
Establishing State Officers  
Compensation Commission  
 Sponsor: Larson/Rost of Joint Sp.  
 Requestor: Comm. Legislative Salaries  
 Date of Request: 1/24/85

FISCAL DETAIL

Agency Affected: Office of Governor  
BRU: Elections  
 Components: II

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE		3.3*				

FUNDING : (Thousands of Dollars)

GENERAL FUND		3.3*				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

\* Costs included cover 2 to 3 additional pages in each Official Election Pamphlet, for printing and typesetting, and costs estimated to cover computer programming requirements for vote  
cont.

Prepared by: Linda Edgeworth Phone: 465-4611  
 Division: Elections Date: 1.24.86

Approved by Commissioner: *Linda Edgeworth* Date: 1-24-86  
 Agency: Office of the Governor/Division of Elections

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

## CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HJR 54 Page 2 of 2

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Under these circumstances the fiscal note would be:

54.5

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

MEMORANDUM

February 10, 1986

SUBJECT: CS HJR 54 (Judiciary)  
(Establishing a state officers compensation  
commission)

TO: Representative John Ringstad  
Vice Chairman, Finance Committee

FROM: Teresa B. Cramen *TBC*  
Legislative Counsel

You have asked for an explanation of two sentences in HJR 54 (Judiciary) and for an opinion concerning whether section 1 of CS HJR 54 (Judiciary) permits the legislature to reject individual components of the commission's recommendations on salary changes.

The pertinent portion of the third sentence reads:

The salaries, benefits, and expense allowances established by the commission in the report take effect

. . .

The pertinent portion of the fourth sentence reads:

However, the legislature may reject the salaries, benefits, or expense allowances by a concurrent resolution

. . .

The use of the word "and" in the third sentence has the effect of making each of the items listed (salaries, benefits, expense allowances) take effect on the first day of the next session. The use of the word "or" in the fourth sentence gives the legislature authority to act on each component individually.

Representative John Ringstad  
Page 2  
February 10, 1986

The effect of the two sentences read together is that the salaries, benefits and expense allowances in the report take effect as recommended by the commission unless the legislature has rejected any one or more of those items.

If I may be of further assistance, please advise.

TC:mkr  
M3:008

Offered: 2/7/86  
Referred: Finance

Original sponsor: Larson/Legislative  
Salaries

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 CS FOR HOUSE JOINT RESOLUTION NO. 54 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
7 state officers compensation commission.

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

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

11 SECTION 14. STATE OFFICERS COMPENSATION COMMISSION. The state  
12 officers compensation commission shall consist of seven members ap-  
13 pointed by the governor and subject to confirmation by a majority of  
14 the members of the legislature in joint session. The commission may  
15 revise the salaries, benefits, and expense allowances of members of  
16 the legislature, the governor, lieutenant governor, justices and  
17 judges of the court system, and the head of each principal department,  
18 by submitting a report to the legislature. The salaries, benefits,  
19 and expense allowances established by the commission in the report  
20 take effect on the first day of the next regular legislative session  
21 after the report is submitted to the legislature. However, the legis-  
22 lature may reject the salaries, benefits, or expense allowances by a  
23 concurrent resolution adopted by two-thirds of the members in each  
24 house of the legislature. The legislature shall implement this sec-  
25 tion by law.

26 \* Sec. 2. Article XV, Constitution of the State of Alaska, is amended  
27 by adding a new section to read:

28 SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1986  
29 amendment creating the state officers compensation commission (art.

1 XII, sec. 14) is adopted, the members of the state officers compen-  
2 sation commission appointed under AS 39.23.200 shall become the mem-  
3 bers of the state officers compensation commission under art. XII,  
4 sec. 14, and any action taken by the commission under AS 39.23.200  
5 shall be considered an action taken by the commission under art. XII,  
6 sec. 14.

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

Offered: 1/29/86  
Referred: Judiciary and  
Finance

Original sponsor: Larson by request

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR HOUSE JOINT RESOLUTION NO. 54 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
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11 SECTION 14. STATE OFFICERS COMPENSATION COMMISSION. The state  
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13 pointed by the governor and subject to confirmation by a majority of  
14 the members of the legislature in joint session. A person who is an  
15 elected municipal official, an employee of the legislative, judicial,  
16 or executive branches of state government including the University of  
17 Alaska, or a member of another state board, commission, or authority  
18 may not serve as a member of the compensation commission. Members of  
19 the commission shall be appointed for four-year terms except that the  
20 initial members of the commission shall be appointed to terms so that  
21 no more than two vacancies occur in a single year. A vacancy shall be  
22 filled for the unexpired term. The commission shall act by concur-  
23 rence of four or more members and according to rules that it adopts.  
24 The commission may revise the salaries, benefits, and expense allow-  
25 ances of members of the legislature, the governor, lieutenant  
26 governor, justices and judges of the court system, and the head of  
27 each principal department. The salaries, benefits, and expense allow-  
28 ances established by the commission take effect on the first day of  
29 the next regular legislative session. However, the legislature may

1 reject the salaries, benefits, or expense allowances by a concurrent  
2 resolution adopted by two-thirds of the members in each house of the  
3 legislature. The legislature shall implement this section by law.

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8 XII, sec. 14) is adopted, the members of the state officers compen-  
9 sation commission appointed under AS 39.23.200 shall become the mem-  
10 bers of the state officers compensation commission under art. XII,  
11 sec. 14, and any action taken by the commission under AS 39.23.200  
12 shall be considered an action taken by the commission under art. XII,  
13 sec. 14.

14 \* Sec. 3. The amendments proposed by this resolution shall be placed  
15 before the voters of the state at the next general election in conformity  
16 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-  
17 tion laws of the state.

Introduced: 1/13/86  
Referred: State Affairs,  
Judiciary and Finance

BY LARSON BY REQUEST OF  
THE JOINT SPECIAL COMMITTEE  
ON LEGISLATIVE SALARIES

1 IN THE HOUSE

2

HOUSE JOINT RESOLUTION NO. 54

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

Proposing an amendment to the Constitu-  
tion of the State of Alaska establishing  
a state officers compensation commis-  
sion.

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

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17 or executive branches of state government including the University of  
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20 the commission shall be appointed for four-year terms except that the  
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27 governor, justices and judges of the court system, and the head of  
28 each principal department. The salaries, benefits, and expense  
29 allowances established by the commission take effect on the first day

1 of the next regular legislative session. However, the legislature may  
2 reject the salaries, benefits, or expense allowances by a concurrent  
3 resolution adopted by two-thirds of the members in each house of the  
4 legislature. The legislature shall implement this section by law.

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

# COMMITTEE REPORT

## SENATE

FURTHER:

5/6/86

Date 5/8/86

Mr. President

The Committee on FINANCE considered CSHJR 54(FIN)

proposing amendments to the Constitution of the State of Alaska establishing a state officers compensation commission.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass

do pass with attached amendment(s)

replace with/or adopt SCS for CSHJR (FIN)

new title

same title and recommends \_\_\_\_\_

and attached a "LETTER OF INTENT"

NEW FISCAL NOTE

reports it back without recommendation

recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS

Walter No Rec  
Rick Halford N/R  
Paul Spive N/R  
Jerguson Do NOT Pass

Joe Fuchs  
Co - Chairman  
No Rec  
Chairman recommendation

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : SCS HJR 54 (Fin)  
 Title : Amendments to AK Constitution  
establishing a state officers  
compensation commission  
 Sponsor : Larson  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Governor's Office  
 BRU : Lt Governor's Office  
 \_\_\_\_\_  
 Components : Div of Elections  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE</b>	0	0	0	0	0	0
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS :**

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

Prepared by : \_\_\_\_\_ Phone : 465-4523  
 Division : Senator Jan Faiks, Co-chairman Date : 5/7/86  
Senate Finance Committee

Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Original sponsor: Larson/Legislative Salaries

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO. 54 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
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19 effect on the first day of the next legislative session unless re-  
20 jected by a concurrent resolution adopted by two-thirds of the members  
21 in each house of the legislature. The legislature may request the  
22 commission to review and make recommendations to the legislature  
23 concerning the compensation of any of the following: the governor,  
24 lieutenant governor, justices and judges of the court system, and the  
25 heads of the principal departments; the legislature may by law provide  
26 that the commission establish and revise the compensation of those  
27 state officers. The legislature shall implement this section by law.

28 \* Sec. 2. Article XV, Constitution of the State of Alaska, is amended  
29 by adding a new section to read:

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SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1986 amendment creating the state officers compensation commission (Article XII, Section 14) is adopted, the members of the state officers compensation commission appointed under AS 39.23.200 shall become the members of the state officers compensation commission under Article XII, Section 14, and any action taken by the commission under AS 39.23.200 shall be considered an action taken by the commission under Article XII, Section 14.

\* Sec. 3. The amendments 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.

Original sponsor: Larson/Legislative Salaries

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO. 54 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
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SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1986 amendment creating the state officers compensation commission (Article XII, Section 14) is adopted, the members of the state officers compensation commission appointed under AS 39.23.200 shall become the members of the state officers compensation commission under Article XII, Section 14, and any action taken by the commission under AS 39.23.200 shall be considered an action taken by the commission under Article XII, Section 14.

\* Sec. 3. The amendments 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.

Offered: 4/3/86  
Referred: Judiciary

Original sponsor: Larson/Legislative Salaries

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO. 54 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
7 state officers compensation commission.

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

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

11 SECTION 14. STATE OFFICERS COMPENSATION COMMISSION. The state  
12 officers compensation commission shall consist of seven members ap-  
13 pointed by the governor and subject to confirmation by a majority of  
14 the members of the legislature in joint session. The commission may  
15 revise the salaries, benefits, and expense allowances of members of  
16 the legislature by submitting a report to the legislature. The sal-  
17 aries, benefits, and expense allowances established by the commission  
18 in the report take effect 30 days after the report is submitted to the  
19 legislature. The legislature may request the commission to review and  
20 make recommendations to the legislature concerning the compensation of  
21 any of the following: the governor, lieutenant governor, justices and  
22 judges of the court system, and the heads of the principal depart-  
23 ments; the legislature may by law provide that the commission estab-  
24 lish and revise the compensation of those state officers. The legis-  
25 lature shall implement this section by law.

26 \* Sec. 2. Article XV, Constitution of the State of Alaska, is amended  
27 by adding a new section to read:

28 SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1986  
29 amendment creating the state officers compensation commission (Article

1       XII, Section 14) is adopted, the members of the state officers compen-  
2       sation commission appointed under AS 39.23.200 shall become the mem-  
3       bers of the state officers compensation commission under Article XII,  
4       Section 14, and any action taken by the commission under AS 39.23.200  
5       shall be considered an action taken by the commission under Article  
6       XII, Section 14.

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

Offered: 2/11/86  
Referred: Rules

Original sponsor: Larson/Legislative Salaries

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR HOUSE JOINT RESOLUTION NO. 54 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska establishing a  
7 state officers compensation commission.

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

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

11 SECTION 14. STATE OFFICERS COMPENSATION COMMISSION. The state  
12 officers compensation commission shall consist of seven members ap-  
13 pointed by the governor and subject to confirmation by a majority of  
14 the members of the legislature in joint session. The commission may  
15 revise the salaries, benefits, and expense allowances of members of  
16 the legislature, the governor, lieutenant governor, justices and  
17 judges of the court system, and the head of each principal department,  
18 by submitting a report to the legislature. The salaries, benefits,  
19 and expense allowances established by the commission in the report  
20 take effect on the first day of the next regular legislative session  
21 after the report is submitted to the legislature. However, the legis-  
22 lature may reject any of the salaries, benefits, or expense allowances  
23 by a concurrent resolution adopted by two-thirds of the members in  
24 each house of the legislature. The legislature shall implement this  
25 section by law.

26 \* Sec. 2. Article XV, Constitution of the State of Alaska, is amended  
27 by adding a new section to read:

28 SECTION 29. STATE OFFICERS COMPENSATION COMMISSION. If the 1936  
29 amendment creating the state officers compensation commission (art.

1 XII, sec. 14) is adopted, the members of the state officers compen-  
2 sation commission appointed under AS 39.23.200 shall become the mem-  
3 bers of the state officers compensation commission under art. XII,  
4 sec. 14, and any action taken by the commission under AS 39.23.200  
5 shall be considered an action taken by the commission under art. XII,  
6 sec. 14.

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

A/B

2/11

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 2/10/86

## REQUEST

Bill/Resolution No. : CSHJR 54 (Fin)  
Title : State Officers' Compensation Commission

Sponsor : Larson by request  
Requestor : House Finance Committee  
Date of Request : 2/10/86

## FISCAL DETAIL

Agency Affected : Governor's Office  
BRU : Lt. Governor's Office

Components : Div. of Elections

### EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0				
TRAVEL		0				
CONTRACTUAL		0				
SUPPLIES		0				
EQUIPMENT		0				
LAND & STRUCTURES		0				
GRANTS, CLAIMS		0				
MISCELLANEOUS		0				
TOTAL OPERATING		0				

CAPITAL		0				
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REVENUE		0				
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### FUNDING : (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS		0				
OTHER		0				
TOTAL		0				

### POSITIONS :

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

ANALYSIS : Attach a separate page if necessary

Any funds needed to change the ballot form can be absorbed in the Division's FY 87 budget.

APA

Prepared by : Al Adams, Chair Phone : 465-3706  
Division : House Finance Committee Date : 2/10/86

Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# COMMITTEE REPORT

## SENATE

FURTHER: JUDICIARY  
FINANCE

Date

4/2/86

2/13/86

Mr. President

The Committee on STATE AFFAIRS considered CSHJR 54 (FIN) proposing amendments to the Constitution of the State of Alaska establishing a state officers compensation commission.

and (a majority of the committee) ~~the committee~~ reports it back with the following recommendations:

do pass

do pass with attached amendment(s)

replace with/or adopt SCS for CSHJR 54 (SA)

new title

same title and recommends

and attached a "LETTER OF INTENT"  NEW FISCAL NOTE

reports it back without recommendation

recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Edna Weir

Tim Kelly

MEMBERS HAVING  
OTHER RECOMMENDATIONS

Bill Ray NR

Bill Ray NR

Bill Ray NR

\_\_\_\_\_

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Chairman

Chairman recommendation

**COMMITTEE REPORT**  
**SENATE**

FURTHER: FINANCE

4/3/86

Date \_\_\_\_\_

Mr. President

The Committee on JUDICIARY considered CSHJR 54(FIN)

proposing amendments to the Constitution of the State of Alaska establishing a state officers compensation commission.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/ or adopt CS for \_\_\_\_\_
- new title \_\_\_\_\_
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMEN

\_\_\_\_\_  
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HOUSE  
COMMITTEE REPORT

3/3

Date referred: 1/24/86

FURTHER REFERRALS: FINANCE

DATE: 2/28/86

The JUDICIARY Committee has considered HJR 62

Proposing an amendment to the Constitution of the State of Alaska relating to the use and expenditure of state money

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 102 (JUD)  same title  new title

and recommends \_\_\_\_\_

further referral to the \_\_\_\_\_ Committee

and attaches:

- letter of intent
- first fiscal note
- new fiscal note
- zero fiscal note w/analysis Sup 93

SIGNING DO PASS:

Mike Miller

\_\_\_\_\_

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SIGNING OTHER RECOMMENDATIONS:

Mr. F. [unclear] NO REC

Reed [unclear] No Rec

[unclear] do not pass

Robin L. Taylor (NO REC)

Mike Miller

Chairman

Offered: 3/3/86  
Referred: Finance

*zero financial note analysis  
Sep 97*

*Cook*

Original sponsor: Rules/governor

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE JOINT RESOLUTION NO. 62 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Constitu-  
6 tion of the State of Alaska relating to  
7 the use and expenditure of state money.

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

9 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
12 license shall not be dedicated to any special purpose, except as  
13 provided in sections [SECTION] 15 and 17 of this article or when  
14 required by the federal government for state participation in federal  
15 programs. This provision shall not prohibit the continuance of any  
16 dedication for special purposes existing upon the date of ratification  
17 of this section by the people of Alaska.

18 \* Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is  
19 repealed and readopted to read:

20 SECTION 16. APPROPRIATION LIMIT. Appropriations of money from  
21 state sources for a fiscal year, excluding appropriations to the  
22 permanent fund, may not increase by more than fifteen percent of the  
23 amount appropriated from state sources during the preceding calendar  
24 year, except as authorized by section 17 of this article.

25 \* Sec. 3. Article IX, Constitution of the State of Alaska, is amended  
26 by adding a new section to read:

27 SECTION 17. BUDGET RESERVE FUND. (a) Money received by the  
28 State from state sources, that is not dedicated or appropriated to the  
29 permanent fund and that exceeds the appropriation limit imposed by

1 section 16 of this article, shall be deposited in the budget reserve  
2 fund until the balance of the reserve fund equals the amount appropri-  
3 ated from state sources during the preceding calendar year.

4 (b) At least fifty percent of the money received by the State,  
5 described in (a) of this section, that exceeds the maximum balance of  
6 the budget reserve fund shall be deposited in the permanent fund, as  
7 provided by law. The remainder of any excess money shall be deposited  
8 in the general fund. Notwithstanding the appropriation limit imposed  
9 by section 16 of this article, the excess money deposited in the  
10 general fund under this subsection may be appropriated.

11 (c) Money in the budget reserve fund shall be invested so as to  
12 yield competitive market rates to the fund. Income from investment of  
13 the fund shall be retained in the fund.

14 (d) If the money received by the State from state sources in a  
15 fiscal year is less than the amount appropriated from state sources  
16 during the preceding calendar year, money may be appropriated from the  
17 budget reserve fund. Except as otherwise provided in this section,  
18 not more than twenty-five percent of the budget reserve fund balance  
19 may be appropriated for any fiscal year.

20 (e) Notwithstanding the spending limitations in this section or  
21 in section 16 of this article, additional amounts may be appropriated  
22 from the budget reserve fund to meet a state emergency declared by the  
23 governor as prescribed by law.

24 \* Sec. 4. Article XV, Constitution of the State of Alaska, is amended  
25 by adding a new section to read:

26 SECTION 29. EFFECTIVE DATE. If a majority of those voting in  
27 1986 on the reconsideration of the 1982 amendment limiting appropria-  
28 tion increases approves the 1982 amendment, the 1986 amendment repeal-  
29 ing and readopting section 16 of article IX takes effect forty days

1 after the certification of the 1986 general election returns by the  
2 lieutenant governor. If a majority rejects the 1982 amendment, the  
3 1986 amendment repealing and readopting section 16 of article IX takes  
4 effect thirty days after certification of the 1986 general election  
5 returns.

6 \* Sec. 5. The amendments proposed by this resolution shall be placed  
7 before the voters of the state at the next general election in conformity  
8 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-  
9 tion laws of the state.  
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*Letter <sup>some</sup> for HB 513*

Introduced: 1/24/86  
Referred: Judiciary and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE JOINT RESOLUTION NO. 62

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Constitu-  
6 tion of the State of Alaska relating to  
7 the use and expenditure of state money.

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

9 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
12 license shall not be dedicated to any special purpose, except as  
13 provided in sections [SECTION] 15 and 17 of this article or when  
14 required by the federal government for state participation in federal  
15 programs. This provision shall not prohibit the continuance of any  
16 dedication for special purposes existing upon the date of ratification  
17 of this section by the people of Alaska.

18 \* Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is  
19 repealed and readopted to read:

20 SECTION 16. APPROPRIATION LIMIT. Appropriations of money from  
21 state sources for a fiscal year may not increase by more than 15  
22 percent of the amount appropriated from state sources during the  
23 preceding calendar year, except as authorized by sec. 17 of this  
24 article.

25 \* Sec. 3. Article IX, Constitution of the State of Alaska, is amended  
26 by adding a new section to read:

27 SECTION 17. BUDGET RESERVE FUND. (a) Money received by the  
28 state from state sources, which is not dedicated to the Alaska perman-  
29 ent fund and which exceeds the appropriation limit imposed by sec. 16

COMMITTEE COPY

1 of this article, must be deposited in the Alaska budget reserve fund  
2 until the balance of the reserve fund equals the amount appropriated  
3 from state sources during the preceding calendar year.

4 (b) A portion of the money received by the state, described in  
5 (a) of this section, which exceeds the maximum balance of the fund  
6 must be deposited in the Alaska permanent fund, as provided by law.  
7 The remainder of any excess money must be deposited in the general  
8 fund. Notwithstanding the appropriation limit imposed by sec. 16 of  
9 this article, the excess money deposited in the general fund may be  
10 appropriated.

11 (c) Money in the budget reserve fund must be invested so as to  
12 yield competitive market rates to the fund. Income from investment of  
13 the fund must be retained in the fund.

14 (d) If the governor determines that the money received by the  
15 state from state sources in a fiscal year is less than the amount  
16 appropriated from state sources during the preceding calendar year,  
17 money may be spent from the budget reserve fund, as provided by law.  
18 Except as otherwise provided in this section, not more than 25 percent  
19 of the budget reserve fund balance may be spent for any fiscal year.

20 (e) Notwithstanding any spending limitations in this section or  
21 in sec. 16 of this article, the governor may spend additional amounts  
22 from the budget reserve fund to meet a state emergency declared by the  
23 governor, as prescribed by law.

24 \* Sec. 4. Article XV, Constitution of the State of Alaska, is amended  
25 by adding a new section to read:

26 SECTION 29. FIRST YEAR OF 1986 REVISED APPROPRIATION LIMITATION.

27 In determining the limitation under art. IX, sec. 16, as amended in  
28 1986, an appropriation to the permanent fund, made in calendar year  
29 1986, is not to be included.

1 \* Sec. 5. The amendments proposed by this resolution shall be placed  
2 before the voters of the state at the next general election in conformity  
3 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-  
4 tion laws of the state.  
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BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

NGR 62  
11B 513

JS  
1/24

January 24, 1986

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a joint resolution proposing amendments to the Alaska Constitution relating to a budget reserve fund and an appropriation limit, and a bill to implement the joint resolution.

I am placing the bill implementing the proposed constitutional amendments before the legislature during this session to ensure that legislators and voters facing that proposal in the 1986 general election understand the scope, details, and implications of the amendments.

The bill would take effect following voter approval of the constitutional amendments. At that time, AS 37.05.159, establishing what is commonly known as the "rainy day fund," would be repealed and replaced by a new statute establishing the budget reserve fund. The balance of the money in the rainy day fund would follow the constitutional and statutory change and would be transferred to the budget reserve fund at that time. The budget reserve fund is designed to meet revenue contingencies contemplated by the rainy day fund as well as broader revenue stability needs.

At the outset, it must be emphasized that the budget reserve fund is very different in purpose and function from forward funding and cash-based budgeting proposals. We have carefully evaluated all these options, and we believe that the budget reserve fund is the fiscal management tool that is best suited to the State's situation. This fund seeks to

dampen annual budget swings. Neither forward funding nor cash-based budgeting protect us from annual budget fluctuations caused by volatility in world oil markets.

The budget reserve fund works in the following manner. In years of rising revenues, as specified in the constitutional amendments, appropriations are limited to 115 percent of appropriations made during the preceding calendar year. Any surplus money above the 115 percent limit is used first to replenish the budget reserve fund; any remaining surplus is then divided between deposits to the permanent fund and to the general fund. In years of revenue decline, as specified in the constitutional amendments and proposed statute, money is made available from the budget reserve fund in an amount that brings appropriations up to 95 percent of the appropriations in the preceding calendar year, or an amount that equals no more than 25 percent of the fund's balance, whichever is less.

These two operations of the budget reserve fund will provide a smoother expenditure pattern over the years than would result from the fluctuations of petroleum revenue alone. This is because, in high revenue years, revenue increases will flow into the budget reserve fund for subsequent appropriation during years of revenue decline, buffering fluctuations in the state's revenue stream caused by petroleum price variations. The upper limit to appropriations (the 115 percent level) will provide an effective appropriation limit, in contrast with the ineffective limit now in our constitution. We will therefore have a meaningful constitutional spending limit as desired by the people of Alaska.

Both the joint resolution and the bill specify that the appropriation limit applies only to unrestricted general fund money and to expenditures from the undistributed income account of the permanent fund (except for a deposit of that money to the permanent fund made in 1986). In turn, "money received" by the state includes only money in the undistributed income account and unrestricted general fund money. Excluded from both, for example, are federal receipts. The joint resolution and bill also specify that appropriations for a fiscal year are limited to 115 percent of appropriations made during the preceding calendar year. The calendar-year basis is used to ensure certainty in the determination of allowable appropriation levels for the coming fiscal year. It also avoids problems caused by supplemental appropriations late in a fiscal year.

New AS 37.05.156(c), in sec. 1 of the bill, addresses the question of how reappropriations should be treated for purposes of the appropriation limit. The intent of that provision is to distinguish between "old" and "new" money. This distinction is needed because it is sometimes difficult to determine whether a reappropriation consists entirely of money appropriated in a prior year, or exceeds the amount of money actually available from those prior appropriations, thereby entailing an appropriation of new money. Any reappropriation not clearly identifiable is also considered a new appropriation.

The maximum balance of the budget reserve fund in any fiscal year equals the amount of general fund appropriations enacted during the preceding calendar year. Money in excess of the 115 percent limit is used to bring the fund balance up to the fund's capacity. A portion of the money in excess of the budget reserve fund capacity must then be deposited in the permanent fund as savings. The bill specifies that that portion is 75 percent. The remaining excess (25 percent) must be deposited in the general fund, and is available for appropriation (effectively increasing the 115 percent limit). Any of that excess money subsequently appropriated from the general fund becomes part of the calculation of the base for the next fiscal year.

The bill specifies that if general fund revenue in a fiscal year falls to a level below 95 percent of appropriations made during the preceding calendar year, an amount may be transferred from the budget reserve fund into the general fund. That transferrable amount is limited to the lesser of (1) the amount needed to bring appropriations up to the 95 percent level, or (2) the maximum amount of the fund that may be spent in a fiscal year, which is 25 percent of the budget reserve fund balance.

As specified in the joint resolution, the budget reserve fund retains its income earnings to help ensure an adequate level of capitalization to meet appropriation demand in years of revenue decline.

The constitutional amendments permit expenditures from the fund beyond the 115 percent appropriation limit and the 25 percent fund expenditure limit to meet declared states of emergency. The bill cites existing statutory language to provide further clarification of "emergencies."

The constitutional amendments proposed in the joint resolution and the implementing statutory provisions together can

provide elected officials with the tools of sound fiscal management, and promise to the citizens of the state a means of avoiding the social and economic shocks that may result from extreme volatility in our revenue stream.

Article XV, sec. 27, of the Alaska Constitution now requires the lieutenant governor to place on the ballot in 1986 the proposition for the existing appropriation limitation, which was approved by the voters in 1982. Since that vote will occur at the same election as the vote on the attached proposal, there is the possibility that both constitutional provisions would be approved -- resulting in a direct conflict between them. To avoid confusion and to preclude legal questions arising as to this later amendment, while still having the lieutenant governor comply with art. XV, sec. 27, the attached bill (see sec. 2) requires the lieutenant governor to include an appropriate explanation on the ballot. It is expected that this explanation will be brief, with some amplification in the voter pamphlet.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield  
Governor

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Page 1 of 2

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CS HB513/HJR 62  
 Title : Appropriation Limit of  
Budget Reserve Fund  
 Sponsor : Governor  
 Requestor : House Judiciary  
 Date of Request : 2/27/86

**FISCAL DETAIL**

Agency Affected : ALL  
 BRU : N/A  
 Components : N/A

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

Neither bill will require additional state expenditures.  
 See attached summary for an explanation of the appropriation limit  
 and the budget reserve fund.

Prepared by : Gordon Harrison Phone : 465-3568  
 Division : Division of Strategic Planning Date : 2/27/86

Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Office of Management and Budget  
Division of Strategic Planning  
January 31, 1986

CSHB 513/HJR 62 -- Page 2 of 2

SUMMARY--BUDGET RESERVE FUND

The basic principles of Governor Sheffield's proposed Budget Reserve Fund (BRF) may be summarized as follows:

- o The BRF replaces the Rainy Day Fund.
- o Potential sources of capitalization for the BRF include the balance of the Rainy Day Fund, windfall revenue, retained BRF earnings, and future revenue surpluses.
- o The BRF appropriation limit replaces the existing appropriation limit.
- o The BRF appropriation limit applies only to unrestricted general fund revenues, and defines "Base Year" as the calendar year preceding the start of a given fiscal year.
- o Annual appropriations are limited to 115 percent of total appropriations enacted during the Base Year.
- o If revenue receipts in a fiscal year fall below 95 percent of total appropriations enacted during the Base Year, the BRF pays out the lesser of two amounts for general fund appropriations: (a) enough to raise appropriations to the 95 percent level; or, (b) 25 percent of the BRF balance.
- o If revenue receipts in a fiscal year surpass 115 percent of total appropriations enacted during the Base Year, the surplus above the 115 percent level is transferred into the BRF.
- o If a transfer or any other event causes the BRF balance to exceed the BRF's capacity (annually set equal to total appropriations enacted during the Base Year), the excess is divided between the Permanent Fund (75 percent) and the General Fund (25 percent). The latter 25 percent may be appropriated without regard to the 115 percent appropriation limit, but is included in calculations for the next fiscal year's Base Year.
- o The balance of the BRF is accessible in cases of emergencies, as defined by law.

ALASKA STATE LEGISLATURE

14th... Legislature SECOND Session

JOINT HOUSE RESOLUTION... NO. 62....

By ..RULE. BY. REQUEST. OF. THE... GOVERNOR

Proposing an amendment to the Constitution of the State of Alaska relating to the use and expenditure of state money.

amendment to Constitution

Introduced in the House ...1/24... , 19. 86

HISTORY IN THE HOUSE

1986	Read first time and referred to Committee on																						
Jan 24	<b>JUDICIARY AND FINANCE</b> Reported back with recommendation that																						
	Read second time and																						
	Read third time and																						
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HISTORY IN THE SENATE

19	Read first time and referred to Committee on																						
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	Reported correctly engrossed Signed by President Returned to House																						
SECRETARY OF THE SENATE																							

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor  ..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Offered: 3/3/86  
Referred: Finance

Original sponsor: Rules/governor

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 CS FOR HOUSE JOINT RESOLUTION NO. 62 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Constitu-  
6 tion of the State of Alaska relating to  
7 the use and expenditure of state money.

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

9 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
12 license shall not be dedicated to any special purpose, except as  
13 provided in sections [SECTION] 15 and 17 of this article or when  
14 required by the federal government for state participation in federal  
15 programs. This provision shall not prohibit the continuance of any  
16 dedication for special purposes existing upon the date of ratification  
17 of this section by the people of Alaska.

18 \* Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is  
19 repealed and readopted to read:

20 SECTION 16. APPROPRIATION LIMIT. Appropriations of money from  
21 state sources for a fiscal year, excluding appropriations to the  
22 permanent fund, may not increase by more than fifteen percent of the  
23 amount appropriated from state sources during the preceding calendar  
24 year, except as authorized by section 17 of this article.

25 \* Sec. 3. Article IX, Constitution of the State of Alaska, is amended  
26 by adding a new section to read:

27 SECTION 17. BUDGET RESERVE FUND. (a) Money received by the  
28 State from state sources, that is not dedicated or appropriated to the  
29 permanent fund and that exceeds the appropriation limit imposed by

1 section 16 of this article, shall be deposited in the budget reserve  
2 fund until the balance of the reserve fund equals the amount appropri-  
3 ated from state sources during the preceding calendar year.

4 (b) At least fifty percent of the money received by the State,  
5 described in (a) of this section, that exceeds the maximum balance of  
6 the budget reserve fund shall be deposited in the permanent fund, as  
7 provided by law. The remainder of any excess money shall be deposited  
8 in the general fund. Notwithstanding the appropriation limit imposed  
9 by section 16 of this article, the excess money deposited in the  
10 general fund under this subsection may be appropriated.

11 (c) Money in the budget reserve fund shall be invested so as to  
12 yield competitive market rates to the fund. Income from investment of  
13 the fund shall be retained in the fund.

14 (d) If the money received by the State from state sources in a  
15 fiscal year is less than the amount appropriated from state sources  
16 during the preceding calendar year, money may be appropriated from the  
17 budget reserve fund. Except as otherwise provided in this section,  
18 not more than twenty-five percent of the budget reserve fund balance  
19 may be appropriated for any fiscal year.

20 (e) Notwithstanding the spending limitations in this section or  
21 in section 16 of this article, additional amounts may be appropriated  
22 from the budget reserve fund to meet a state emergency declared by the  
23 governor as prescribed by law.

24 \* Sec. 4. Article XV, Constitution of the State of Alaska, is amended  
25 by adding a new section to read:

26 SECTION 29. EFFECTIVE DATE. If a majority of those voting in  
27 1986 on the reconsideration of the 1982 amendment limiting appropria-  
28 tion increases approves the 1982 amendment, the 1986 amendment repeal-  
29 ing and readopting section 16 of article IX takes effect forty days

1 after the certification of the 1986 general election returns by the  
2 lieutenant governor. If a majority rejects the 1982 amendment, the  
3 1986 amendment repealing and readopting section 16 of article IX takes  
4 effect thirty days after certification of the 1986 general election  
5 returns.

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

Introduced: 1/24/86  
Referred: Judiciary and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 62

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Constitu-  
6 tion of the State of Alaska relating to  
7 the use and expenditure of state money.

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

9 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
12 license shall not be dedicated to any special purpose, except as  
13 provided in sections [SECTION] 15 and 17 of this article or when  
14 required by the federal government for state participation in federal  
15 programs. This provision shall not prohibit the continuance of any  
16 dedication for special purposes existing upon the date of ratification  
17 of this section by the people of Alaska.

18 \* Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is  
19 repealed and readopted to read:

20 SECTION 16. APPROPRIATION LIMIT. Appropriations of money from  
21 state sources for a fiscal year may not increase by more than 15  
22 percent of the amount appropriated from state sources during the  
23 preceding calendar year, except as authorized by sec. 17 of this  
24 article.

25 \* Sec. 3. Article IX, Constitution of the State of Alaska, is amended  
26 by adding a new section to read:

27 SECTION 17. BUDGET RESERVE FUND. (a) Money received by the  
28 state from state sources, which is not dedicated to the Alaska perman-  
29 ent fund and which exceeds the appropriation limit imposed by sec. 16

1 of this article, must be deposited in the Alaska budget reserve fund  
2 until the balance of the reserve fund equals the amount appropriated  
3 from state sources during the preceding calendar year.

4 (b) A portion of the money received by the state, described in  
5 (a) of this section, which exceeds the maximum balance of the fund  
6 must be deposited in the Alaska permanent fund, as provided by law.  
7 The remainder of any excess money must be deposited in the general  
8 fund. Notwithstanding the appropriation limit imposed by sec. 16 of  
9 this article, the excess money deposited in the general fund may be  
10 appropriated.

11 (c) Money in the budget reserve fund must be invested so as to  
12 yield competitive market rates to the fund. Income from investment of  
13 the fund must be retained in the fund.

14 (d) If the governor determines that the money received by the  
15 state from state sources in a fiscal year is less than the amount  
16 appropriated from state sources during the preceding calendar year,  
17 money may be spent from the budget reserve fund, as provided by law.  
18 Except as otherwise provided in this section, not more than 25 percent  
19 of the budget reserve fund balance may be spent for any fiscal year.

20 (e) Notwithstanding any spending limitations in this section or  
21 in sec. 16 of this article, the governor may spend additional amounts  
22 from the budget reserve fund to meet a state emergency declared by the  
23 governor, as prescribed by law.

24 \* Sec. 4. Article XV, Constitution of the State of Alaska, is amended  
25 by adding a new section to read:

26 SECTION 29. FIRST YEAR OF 1986 REVISED APPROPRIATION LIMITATION.

27 In determining the limitation under art. IX, sec. 16, as amended in  
28 1986, an appropriation to the permanent fund, made in calendar year  
29 1986, is not to be included.

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