

HOUSE JOINT RESOLUTION NO. 3

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HAWKER

Introduced: 1/18/11

Referred: Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska creating and relating**
2 **to the gas revenue endowment fund, relating to deposits to the fund, limiting**
3 **appropriations from the fund based on an averaged percent of the fund market value,**
4 **relating to deposits to the permanent fund, and relating to deposits to the budget reserve**
5 **fund.**

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

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

8 **Section 7. Dedicated Funds.** The proceeds of any state tax or license shall not
9 be dedicated to any special purpose, except as provided in **Sections 15 and 18**
10 [SECTION 15] of this article or when required by the federal government for state
11 participation in federal programs. This provision shall not prohibit the continuance of
12 any dedication for special purposes existing upon the date of ratification of this section
13 by the people of Alaska.

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

1 **Section 18. Gas Revenue Endowment Fund.** (a) There is established as a
2 separate fund in the State treasury the gas revenue endowment fund. Notwithstanding
3 Sections 15 and 17(a) of this article, all mineral royalty proceeds and all tax proceeds,
4 including payments in lieu of royalties or severance taxes whether taken in kind or
5 value, received by the State from natural gas produced on the North Slope shall be
6 deposited into the gas revenue endowment fund. Except as appropriated under (b) of
7 this section, money in the fund shall be used only for those income-producing
8 investments specifically designated by law as eligible for fund investments.

9 (b) Appropriations from the gas revenue endowment fund that take effect in a
10 current fiscal year may not exceed five percent of the average of the market values of
11 the fund on June 30 for the number established by law of consecutive fiscal years that
12 preceded the fiscal year that immediately preceded the current fiscal year.

13 (c) An appropriation from the fund may be made for any public purpose,
14 except that it may not be used to provide dividends or other payments to State
15 residents that are not based on the financial need of the individual recipients.

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