

CS FOR HOUSE JOINT RESOLUTION NO. 8(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/22/10

Referred: Rules

Sponsor(s): REPRESENTATIVES KELLY, Lynn, Johnson, Ramras, Hawker, Fairclough, Keller, Neuman

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska limiting**
2 **appropriations from certain mineral revenue, relating to the balanced budget account,**
3 **and relating to an appropriation limit.**

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

5 * **Section 1.** Article IX, sec. 16, Constitution of the State of Alaska, is repealed and
6 readopted to read:

7 **Section 16. Mineral Revenue.** (a) Appropriations of revenue from the
8 following sources are limited: mineral lease rentals, royalties, royalty sale proceeds,
9 federal mineral revenue sharing payments and bonuses, and every State tax on
10 minerals, mineral production, or mineral transportation. The maximum amount that
11 may be appropriated from these sources for a current fiscal year equals the total of the
12 amounts received by the state from these sources during the five fiscal years that
13 immediately precede the current fiscal year divided by five.

14 (b) There is established as a separate account in the State treasury, outside of
15 the general fund, the balanced budget account. At the end of each fiscal year, the

1 amount of revenue received from the sources listed in (a) of this section and not
 2 appropriated for that fiscal year shall be deposited into the balanced budget account.
 3 Money in the account shall be invested so as to yield competitive market rates to the
 4 account, and income of the account shall be retained in the account. Money may not
 5 be appropriated from the account. Money from the account shall be transferred to the
 6 general fund as necessary to fund appropriations made under (a) of this section.
 7 Section 7 of this article does not apply to money deposited into, retained in, or
 8 transferred from the balanced budget account.

9 (c) If, at the end of a current fiscal year, the amount in the balanced budget
 10 account exceeds the total of the amounts appropriated under (a) of this section for that
 11 current fiscal year and for the immediately preceding fiscal year, that excess amount
 12 shall be transferred to the budget reserve fund and treated as a repayment for purposes
 13 of Section 17(d) of this article.

14 (d) For purposes of applying this section, amounts placed in the Alaska
 15 permanent fund under Section 15 of this article and amounts placed in the budget
 16 reserve fund under Section 17(a) of this article are excluded.

17 * **Sec. 2.** Article XV, sec. 28, Constitution of the State of Alaska, is repealed and readopted
 18 to read:

19 **Section 28. Application of Mineral Revenue Amendment.** The 2010
 20 amendment relating to mineral revenue (art. IX, sec. 16) first applies to appropriations
 21 made for fiscal year 2012 and to deposits into the balanced budget account made at the
 22 end of fiscal year 2012, and applies thereafter.

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