

CS FOR SENATE JOINT RESOLUTION NO. 10(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/3/12

Referred: Finance

Sponsor(s): SENATOR WIELECHOWSKI

A RESOLUTION

1 **Proposing an amendment to the Constitution of the State of Alaska relating to deposits**
2 **to the constitutional budget reserve fund from surplus oil revenue.**

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

4 * **Section 1.** Article IX, sec. 17(a), Constitution of the State of Alaska, is amended to read:

5 (a) There is established as a separate fund in the State treasury the budget
6 reserve fund. Except for money deposited into the permanent fund under Section 15 of
7 this article, **the following shall be deposited in the budget reserve fund:** all money
8 received by the State after July 1, 1990, as a result of the termination, through
9 settlement or otherwise, of an administrative proceeding or of litigation in a State or
10 federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds,
11 federal mineral revenue sharing payments or bonuses, or involving taxes imposed on
12 mineral income, production, or property, **and two-thirds of the difference between**
13 **\$6,000,000,000 adjusted by the cumulative change, derived from federal indices**
14 **as prescribed by law, in inflation since July 1, 2013, and the actual annual**
15 **unrestricted oil revenue as determined each year for the previous fiscal year**
16 [SHALL BE DEPOSITED IN THE BUDGET RESERVE FUND]. Money in the

1 budget reserve fund shall be invested so as to yield competitive market rates to the
2 fund. Income of the fund shall be retained in the fund. Section 7 of this article does not
3 apply to deposits made to the fund under this subsection. Money may be appropriated
4 from the fund only as authorized under (b) or (c) of this section. **In this subsection,**
5 **"unrestricted oil revenue" means the amount received from oil lease bonuses,**
6 **rentals, royalties, royalty sale proceeds, federal oil revenue sharing payments or**
7 **bonuses, and taxes imposed on oil income, production, or property that is not**
8 **deposited into the permanent fund created under Section 15 of this article.**

9 * **Sec. 2.** The amendment proposed by this resolution shall be placed before the voters of the
10 state at the next general election in conformity with art. XIII, sec. 1, Constitution of the State
11 of Alaska, and the election laws of the state.