

FOLDER NO.

203.037

Constitutional Convention
Style and Drafting/Article IX
(Committee Proposal/9/Enrolled)
January 28, 1956

ALASKA CONSTITUTIONAL CONVENTION
REPORT OF THE COMMITTEE ON STYLE AND DRAFTING

Hon. William A. Egan, President
Alaska Constitutional Convention

Dear President Egan:

Your Committee on Style and Drafting herewith presents its redraft of the Article on Finance and Taxation for consideration by the Convention.

Respectfully submitted,

George Sundborg, Chairman
R. Rolland Armstrong
Edward V. Davis
Victor Fischer
Mildred R. Hermann
James J. Hurley
Maurice T. Johnson
George M. McLaughlin
Katherine D. Nordale

Style and Drafting/Article IX

REPORT OF COMMITTEE ON STYLE AND DRAFTING

Constitutional Convention
Style and Drafting/Article IX
January 28, 1956

CONSTITUTIONAL CONVENTION OF ALASKA

RESOLVED, that the following be agreed upon as part of
the Alaska State Constitution:

ARTICLE IX

FINANCE AND TAXATION

Taxing Power 1 Section 1. The power of taxation shall never be
2 surrendered. This power shall not be suspended or
3 contracted away, except as provided in this article.

Non-dis- 4 Section 2. The lands and other property belong-
crimination 5 ing to citizens of the United States residing without
6 the State shall never be taxed at a higher rate than
7 the lands and other property belonging to the resi-
8 dents of the State.

Assessment 9 Section 3. Standards for appraisal of all pro-
Standards 10 perty assessed by the State or its political sub-
11 divisions shall be prescribed by law.

Exemptions 12 Section 4. The real and personal property of the
13 State or its political subdivisions is exempt from
14 taxation under conditions and exceptions which may be
15 provided by law. All or any portion of property used
16 exclusively for non-profit religious, charitable,
17 cemetery or educational purposes, as defined by law,

WORK FILES - Art. IX

1 is exempt from taxation. Other exemptions of like or
2 different kind may be granted by general law. All valid
3 existing exemptions are retained until otherwise
4 provided by law.

Interests in
Government
Property

5 Section 5. Private leaseholds, contracts, or
6 other interests in land or property owned or held by
7 the United States, the State or its political sub-
8 divisions, shall be taxable to the extent of the
9 interests.

Public
Purpose

10 Section 6. No tax shall be levied or appropriation
11 of public money made or public property transferred,
12 nor shall the public credit be used, except for a public
13 purpose.

Dedicated
Funds

14 Section 7. The proceeds of any state tax or
15 license shall not be dedicated to any special purpose,
16 except when required by the federal government for
17 state participation in federal programs. This pro-
18 vision shall not prohibit the continuance of any
19 dedication for special purposes existing upon the date
20 of ratification of this constitution by the people of
21 Alaska.

State Debt

22 Section 8. No state debt shall be contracted
23 unless authorized for capital improvements by a
24 majority vote in each house of the legislature with
25 ratification by a majority of the qualified voters

1 of the State who vote on the question. The State may
2 by law contract debt for the purpose of repelling
3 invasion, suppressing insurrection, defending the
4 State in war, meeting natural catastrophes, or re-
5 deeming indebtedness outstanding at the time this
6 constitution becomes effective.

Local Debts

7 Section 9. No debt shall be contracted by any
8 political subdivision of the State unless authorized
9 for capital improvements by its governing body with
10 ratification by a majority vote of those qualified
11 to vote and voting on the question.

Interim
Borrowing

12 Section 10. The State and its political sub-
13 divisions may borrow money to meet appropriations
14 for any fiscal year in anticipation of the collection
15 of the revenues of that year, but all debt so con-
16 tracted shall be paid before the end of the next
17 fiscal year.

Exceptions

18 Section 11. The restrictions on contracting
19 debt do not apply to debt incurred through the
20 issuance of revenue bonds by a public enterprise
21 or public corporation of the state or political
22 subdivision when the only security is the revenues
23 of the enterprise or corporation. The restrictions
24 do not apply to indebtedness to be paid from special
25 assessments on the benefitted property nor do they

1 apply to refunding indebtedness of the state or
2 its political subdivisions.

Budget

3 Section 12. The governor shall submit to the
4 legislature, at a time fixed by law, a budget for
5 the next fiscal year setting forth all proposed
6 expenditures and anticipated income of all depart-
7 ments, offices and agencies of the State. The
8 governor at the same time shall submit a general
9 appropriation bill to authorize the proposed expen-
10 ditures, and a bill or bills covering recommendations
11 in the budget for new or additional revenues.

Expenditures

12 Section 13. No money shall be withdrawn from
13 the treasury except in accordance with appropriations
14 made by law. No obligation for the payment of money
15 shall be incurred except as authorized by law. Un-
16 obligated appropriations outstanding at the end of
17 the period of time specified by law shall be void.

Legislative
Post-audit

18 Section 14. The legislature shall appoint an
19 auditor to serve at its pleasure. He shall be a
20 certified public accountant. The auditor shall
21 conduct post-audits as prescribed by law and shall
22 report to the legislature and to the governor.

Territorial
Assets and
Liabilities

23 Section 15. The debts and liabilities of the
24 Territory of Alaska shall be assumed and paid by the
25 State, and debts owed to the Territory shall be
26 collected by the State. Assets of the Territory shall
27 become assets of the State.

Constitutional Convention
~~Committee Proposal/2/Enrolled~~
Style and Drafting *Art IX*
January ~~20~~, 1956

ALASKA CONSTITUTIONAL CONVENTION

REPORT OF THE COMMITTEE ON STYLE AND DRAFTING

Hon. William A. Egan, President
Alaska Constitutional Convention

Dear President Egan:

Your Committee on Style and Drafting herewith presents
its redraft of the Article on ~~the Judiciary~~ *Finance and Taxation* for consideration
by the Convention.

Respectfully submitted,

George Sundborg, Chairman
R. Rolland Armstrong
Edward V. Davis
Victor Fischer
Mildred R. Hermann
James J. Hurley
Maurice T. Johnson
George M. McLaughlin
Katherine D. Nordale

MR. Sundborn

REPORT OF THE COMMITTEE ON STYLE AND DRAFTING

~~FIRST ENROLLED COPY~~

Constitutional Convention
Committee Proposal/9/ Enrolled
January 26, 1956

(COP) Constitutional Convention of Alaska

~~COMMITTEE PROPOSAL NO. 9~~

~~Introduced by Committee on Finance and Taxation~~

ARTICLE IX
FINANCE AND TAXATION

RESOLVED, that the following be agreed upon as part of
the Alaska State Constitution:

Taxing Power

1 Section 1. The power of taxation shall never
2 be surrendered, ^{This power} ~~and~~ shall not be suspended or con-
3 tracted away, except as provided in this Article.

~~Taxation of~~
~~non-residents~~
Non-discrimination

4 Section 2. The lands and other property belong-
5 ing to citizens of the United States residing without
6 the State shall never be taxed at a higher rate than
7 the lands and other property belonging to the resi-
8 dents of the State.

Assessment ~~of~~
~~Property~~
Standards

9 Section 3. Standards for appraisal of all
10 property assessed by the State or its political
11 subdivisions shall be prescribed by law.

Exempt ^{imm} ~~Property~~

12 Section 4. The real and personal property of
13 the State or its political subdivisions is exempt
14 from taxation under conditions and exceptions ^{which} ~~which~~
15 may be provided by law. All or any portion of
16 property used exclusively for non-profit, religious,
17 charitable, cemetery or educational purposes, as

1 ~~without ratification,~~ contract debt for the purpose
2 of repelling invasion, suppressing insurrection,
3 defending the State in war, meeting natural
4 catastrophes, or redeeming indebtedness outstanding
5 at the time this Constitution becomes effective.

Local Debts

6 Section 9. No debt shall be contracted by any
7 political subdivision of the State unless author-
8 ized ~~by ordinance of the governing authority for~~ ^{for capital improvements by its body of representatives}
9 ~~capital improvements and ratified by a majority vote~~ ^{with ratification}
10 of those ~~acting on the question, within the political~~ ^{qualified to vote and voting}
11 ~~subdivision and qualified by law to vote on the~~
12 ~~particular question. Additional qualifications~~
13 ~~and requirements of voters at these elections may~~
14 ~~be prescribed by law.~~

~~Anticipation~~
~~Bonds~~
Interim
Borrowing

15 Section 10. The State and its political sub-
16 divisions may borrow money to meet appropriations
17 for any fiscal year in anticipation of the collection
18 of the revenues of that year, but all debt so con-
19 tracted shall be paid before the end of the next
20 fiscal year.

Exceptions

21 Section 11. The restrictions on ~~the~~ ^{contracting} ~~contraction~~
22 ~~debt~~ ^{the} do not apply to refunding ^{of} indebtedness of
23 the State or its political subdivisions; to ~~indebted-~~
24 ~~ness~~ ^{the} incurred ^{ing of indebtedness} through issuance of revenue bonds by
25 a public enterprise or a public corporation of the

~~in the State of Alaska, the only security for such indebtedness is the revenues provided or to be provided thereon~~

1 State or political subdivision, when the only
2 security is the revenues of the enterprise or
3 corporation; or to ^{indebtedness incurred by} special assessments.

Budget

4 Section 12. The governor shall submit to the
5 legislature, at a time fixed by law, a budget for
6 the next fiscal year setting forth all proposed
7 expenditures and anticipated income of all depart-
8 ments, offices and agencies of the State. The
9 governor at the same time shall submit a general
10 appropriation bill to authorize the proposed expen-
11 ditures, and a bill or bills covering recommendations
12 in the budget for new or additional revenues.

Expenditures
~~of money~~

13 Section 13. ^{No} ~~the~~ money shall be withdrawn from
14 the treasury, ^{except} in accordance with appropriations made
15 by law. ~~and~~ ^{No} obligation for the payment of money
16 shall be incurred except as authorized by law.
17 Unobligated appropriations outstanding at the end
18 of the period of time specified by law shall be void.

Legislative
Post-audit

19 Section 14. The legislature shall appoint an
20 auditor to serve at its pleasure. He shall be a
21 certified public accountant. The auditor shall
22 conduct post-audits as prescribed by law and shall
23 report to the legislature ^{to} and the governor.

Territorial
~~Debt assumed~~
Assets and
Liabilities

24 Section 15. The debts and liabilities of the
25 Territory of Alaska shall be assumed and paid by the

see ii

The restrictions on contracting debt do not apply to
debt incurred through ~~the~~ ^{the} issuance of revenue bonds by a public
enterprise or public corporation of the state or political subdivision
when the only security is the revenues of the enterprise or corporation.

The restrictions do ~~not~~ ^{not} ~~they~~ apply to indebtedness to be paid from
special assessments on the benefitted property / nor do they apply to
refunding indebtedness of the state or its political subdivisions.

28

2
for

Subcommittee

1 defined by law, is exempt from taxation. Other
2 exemptions ^{of like or different kind} may be granted by general law. All valid
3 existing exemptions are retained until otherwise
4 provided by law.

Interests in
Government
Property

5 Section 5. Private leaseholds, contracts, or
6 other interests in land or property owned or held by
7 the United States, the State or its political sub-
8 divisions, shall be taxable to the extent of the
9 interests.

Public
Purpose

10 Section 6. No tax shall be levied or appropriation
11 of public money made or public property transferred,
12 nor shall the public credit be used, except for a public
13 purpose.

Dedicated
Funds

14 Section 7. The proceeds of any state tax or
15 license shall not be dedicated to any special purpose,
16 ^{when required by the federal government for} except ~~where~~ state participation in federal programs.
17 ~~will be denied~~ This provision shall not prohibit the
18 continuance of any dedication for special purposes
19 existing upon the date of ratification of this Consti-
20 tution by the people of Alaska.

State Debt

21 Section 8. No state debt shall be contracted
22 unless authorized for capital improvements by a
23 majority vote in each house of the legislature with
24 ratification by a majority of the qualified voters ^{per}
25 of the State ^{who} vote on the question. The State may ^{by law}

1 State of ~~Alaska~~, and debts owed to the Territory
2 ~~of Alaska~~ shall be collected by the State. Assets
3 of the Territory of ~~Alaska~~ shall become assets of
4 the State.

Assets and records of
T of A shall become the property of
the State.

Drafting, Work Files - Mr. D.

Constitutional Convention
Style and Drafting/Article IX
(Committee Proposal/9/Enrolled)
January 28, 1956

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Style and Drafting/Article IX

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- WORK FILES - ART. IX
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WORK FILES - ART. IX

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Territorial 23 Section 15. The debts and liabilities of the
Assets and 24 Territory of Alaska shall be assumed and paid by the
Liabilities 25 State, and debts owed to the Territory shall be
26 collected by the State. Assets of the Territory shall
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