

- 1 Page 3-line 16 After "funds" insert "by the state treasurer
2 at a portfolio level of risk".
3
- 4 Page 4-lines 1 and 2 Delete entirely and insert:
5
6 "(ii) Earnings in the separate earnings fund shall be
7 invested in the same manner as the perpetual school fund;
8
9 (iii) In any one (1) year, earnings shall be distributed
10 from the separate earnings fund in an amount not to exceed five
11 percent (5%) of the five (5) year rolling average of the perpetual
12 school fund's market value measured on the first day of the fiscal
13 year, except that administrative costs incurred in the managing,
14 investing and accounting of the invested funds or distributions to
15 the perpetual school fund shall not be included in the calculation
16 of the market value;
17
18 (iv) The five percent (5%) distribution required by
19 paragraph (iii) of this subsection may be increased by an
20 affirmative vote of three-quarters (3/4) of the elected members of
21 each of the two (2) houses of the legislature voting separately,
22 and only in one-half percent (0.5%) increments measured from the
23 previous percentage and not more than one (1) time per biennium;
24
25 (v) Upon the separate earnings fund reaching a fair
26 market value of seven (7) times five percent (5%) the five (5)
27 year rolling average market value of the perpetual school fund
28 after making annual distributions from the separate earnings fund,
29 any excess funds shall be deposited in the perpetual school fund;
30
31 (vi) Encumbering, guaranteeing loans, automatic
32 statutory appropriations, earmarks or any other use of monies in
33 the separate earnings fund except those authorized in this article
34 are prohibited;".
35
- 36 Page 4-line 4 Delete "(iii)" and insert "(vii)".
37
- 38 Page 6-line 6 Delete "law" and insert "article 7, section
39 6(a)(v) of this constitution".
40
- 41 Page 7-line 10 Delete "or added to".
42
- 43 Page 7-line 11 Delete entirely and insert "until the amount
44 of the separate earnings fund reaches an

1 amount specified in the constitution, after
2 which unspent earnings would be added to the
3 perpetual school fund.". BEAR, JENNINGS,
4 KNAPP, NEIMAN