

HOUSE JOINT RESOLUTION NO. 41

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Introduced: 4/6/18

Referred: State Affairs, Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the Alaska**
2 **permanent fund, establishing the earnings reserve account, and relating to**
3 **appropriations from the Alaska permanent fund.**

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

5 * **Section 1.** Article IX, sec. 15, Constitution of the State of Alaska, is amended to read:

6 **Section 15. Alaska Permanent Fund. (a)** At least twenty-five percent of all
7 mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing
8 payments and bonuses received by the State shall be placed in a permanent fund, the
9 principal of which shall be used only for those income-producing investments
10 specifically designated by law as eligible for permanent fund investments. **The**
11 **earnings reserve account is established as a separate account in the fund. Income**
12 **from the fund shall be deposited into the earnings reserve account and may be**
13 **invested as authorized for investments of the principal. Money in the earnings**
14 **reserve account may be appropriated only as provided in this section** [ALL
15 INCOME FROM THE PERMANENT FUND SHALL BE DEPOSITED IN THE

1 GENERAL FUND UNLESS OTHERWISE PROVIDED BY LAW].

2 * **Sec. 2.** Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding new
3 subsections to read:

4 (b) Each fiscal year, the legislature may appropriate from the earnings reserve
5 account to the general fund an amount that is not more than 4.75 percent of the
6 average market value of the permanent fund, including the earnings reserve account,
7 for the first five of the preceding six fiscal years, including the fiscal year just ended.

8 (c) Appropriations made from the earnings reserve account under (b) of this
9 section shall not exceed the balance of the earnings reserve account.

10 * **Sec. 3.** Article XV, Constitution of the State of Alaska, is amended by adding a new
11 section to read:

12 **Section 30. Permanent Fund Amendments: Transition.** The earnings
13 reserve account established in the 2018 amendments to the Alaska permanent fund
14 (art. IX, sec. 15) replaces the existing earnings reserve account established by law.
15 Money in the existing earnings reserve account on the effective date of the 2018
16 amendments to the Alaska permanent fund (art. IX, sec. 15) shall be deposited into the
17 earnings reserve account established by those amendments.

18 * **Sec. 4.** The amendments proposed by this resolution shall be placed before the voters of
19 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
20 State of Alaska, and the election laws of the state.