

AMENDMENT # 1

OFFERED IN THE HOUSE

TO: HB 115

By: Rep. Garza  
Seaton  
Foster

1 Page 2, line 11:

2 Delete "4.75"

3 Insert "5.25"

4

5 Page 2, line 12:

6 Delete "excluding"

7 Insert "including"

8

9 Page 2, following line 18:

10 Insert a new bill section to read:

11 "\*\* Sec. 4. AS 37.13.140(b), added by sec. 3 of this Act, is amended to read:

12 (b) The corporation shall determine the amount available for distribution each  
13 year. The amount available for distribution is five [5.25] percent of the average market  
14 value of the fund for the first five of the preceding six fiscal years, including the fiscal  
15 year just ended, computed annually for each fiscal year in accordance with generally  
16 accepted accounting principles. In this subsection, "the average market value of the  
17 fund" includes the balance of the earnings reserve account established under  
18 AS 37.13.145, but does not include that portion of the principal attributed to the  
19 settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First  
20 Judicial District)."

21

22 Renumber the following bill sections accordingly.

23

1 Page 2, line 23, following "(1)":

2 Insert "principal of the fund, 0.25 percent of the average market value of the fund  
3 for the first five of the preceding six fiscal years, including the fiscal year just ended,  
4 computed annually for each fiscal year in accordance with generally accepted  
5 accounting principles; in this paragraph, "average market value of the fund" has the  
6 meaning given in AS 37.13.140(b);

7 (2)"

8

9 Page 2, line 24:

10 Delete "income"

11 Insert "amount [INCOME]"

12

13 Page 2, line 25:

14 Delete "(2)"

15 Insert "(3)"

16 Delete "income"

17 Insert "amount"

18

19 Page 10, line 18:

20 Delete "sec. 11"

21 Insert "sec. 12"

22

23 Page 10, line 19:

24 Delete "sec. 11"

25 Insert "sec. 12"

26

27 Page 10, line 27:

28 Delete "secs. 2 - 9" in both places

29 Insert "secs. 2, 3, and 5 - 10" in both places

30

31 Page 10, line 29:

1 Delete "Sections 1 - 9, 15, and 16"

2 Insert "Sections 1 - 3, 5 - 10, 16, and 17"

3

4 Page 10, following line 30:

5 Insert a new bill section to read:

6 **"\* Sec. 19. Section 4 of this Act takes effect July 1, 2019."**

7

8 Renumber the following bill section accordingly.

9

10 Page 10, line 31:

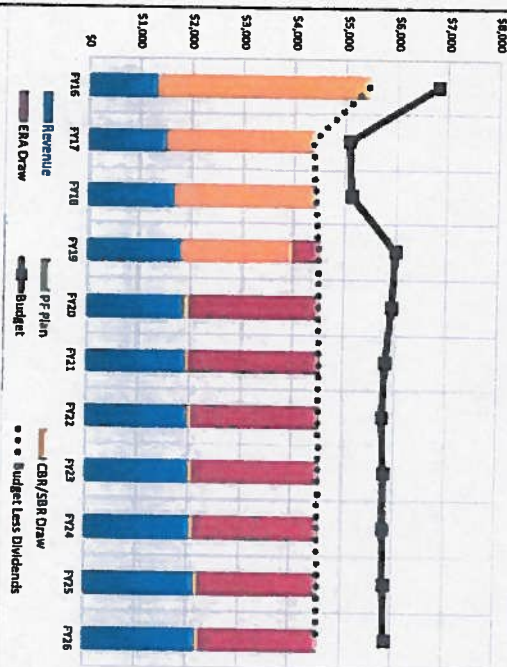
11 Delete "sec. 17"

12 Insert "secs. 18 and 19"

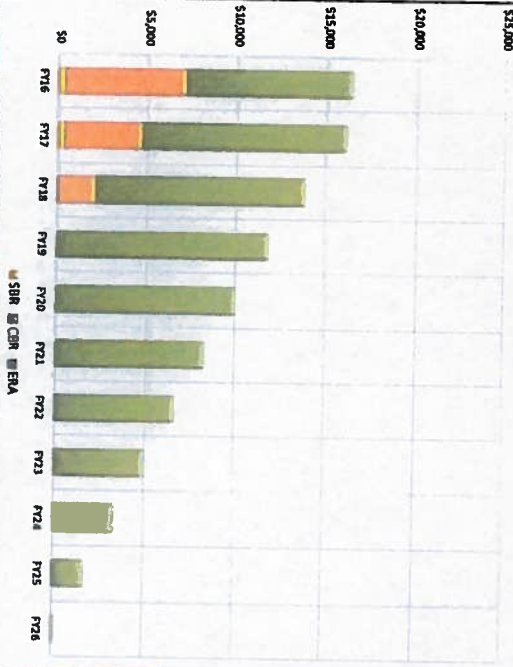
# STATUS QUO

LFD Fiscal Model

UGF Revenue/Budget  
(\$ millions)



Budget Reserves  
FY Ending Balance



	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Revenues	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202
Deficit	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762	-2,762
Years to Exhaust	6	4	4	3	3	2	1	1	0		

## Price Scenario

### COST VARIABLES

Operating Budget	0.00%
Non-Formula	0.00%
K-12 Formula	0.00%
Medical Formula	0.00%
Other Formula	0.00%
Target cut (FY18+)	0.00%

### Statewide Budget

### Capital Budget (FY18-26)

Sales Tax	11
Income Tax	11
Motor Fuel Tax	11
Oil Tax Legislation	11

### REVENUE VARIABLES

Sales Tax	11
Income Tax	11
Motor Fuel Tax	11
Oil Tax Legislation	11

### Permanent Fund Plan

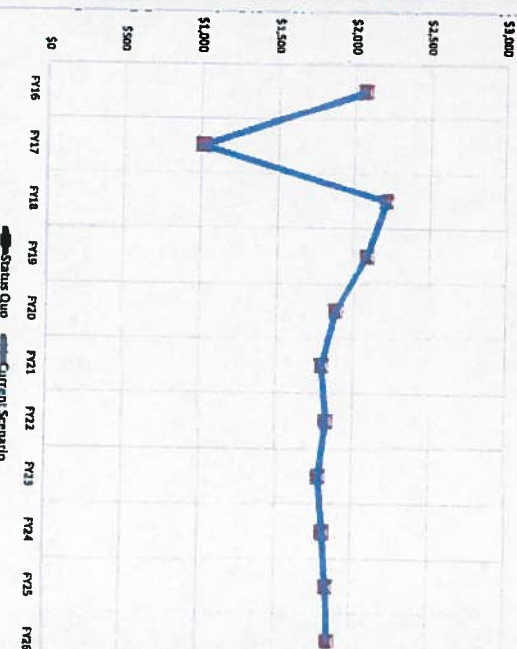
Perm Fund Assumptions	
Inflation Rate	2.25%
PF Investment Return	6.85%
% Realized	57.25%
Population Growth Rate	
Labor Stats	

### Plan Specifications

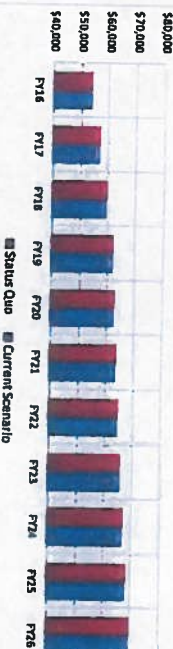
Status Quo Initiation Proofing	1
POMV Payout	0.00%
% Statutory Net Income	0%
Draw Start Year	0
% of Stat Net Income to Div	60%
% of POMV Draw to Div	0%
% of UGF Royalties to Div	0%
Dividend Floor \$	
Floor Ends	
Dividend Cap \$	
Reduce when oil rev exceeds \$	
Reduce by %	0%
Royalties to PF	30%
4x Draw Initiation Proofing	0
Dividend Override	Off
POMV Override	Off

Reserve Variables	
Reserve Priority	CBR
CBR Earnings	2.89%

## Dividend Check

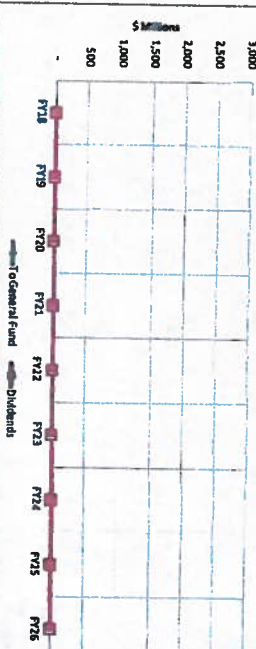


Permanent Fund  
FY Ending Balance



Perm. Fund	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
% Real Value	103%	104%	103%	103%	103%	102%	101%	101%	101%	101%	100%
Effective %	2.64%	3.19%	8.15%	5.89%	5.85%	5.70%	5.80%	5.40%	5.27%		

### Payout for Dividends and General Fund



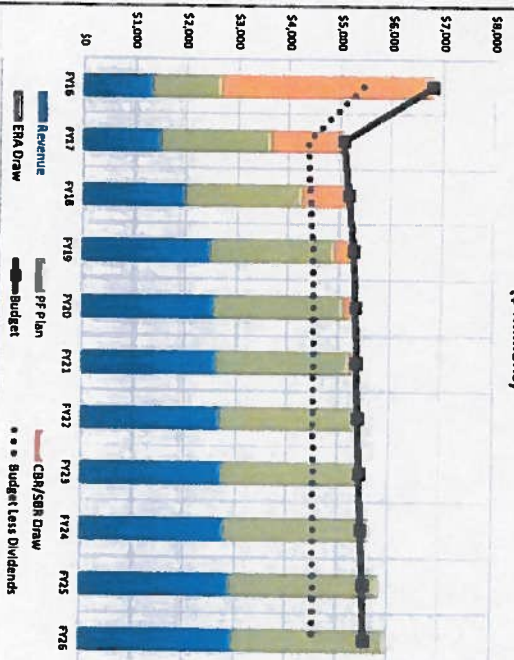
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Dividends	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202
General Fund	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202	11,202



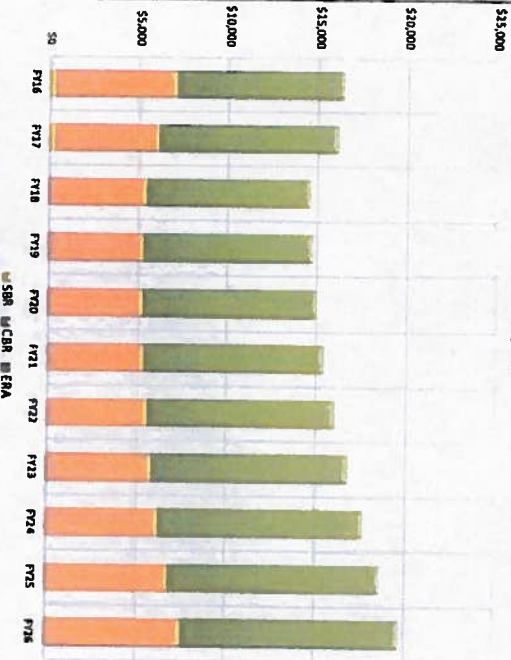
# HB 115 BASELINE- Flat budget

LFD Fiscal Model

UGF Revenue/Budget (\$ millions)

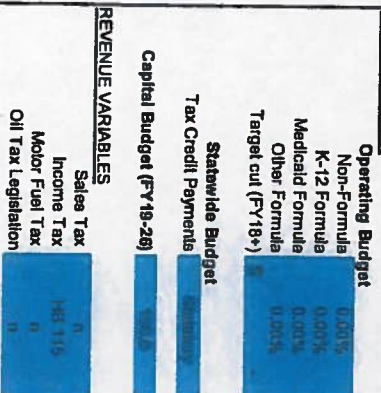


Budget Reserves FY Ending Balance

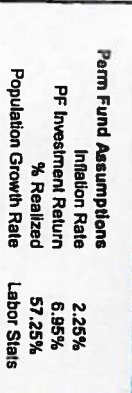


	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Reserves	14,600	14,740	15,016	15,437	16,037	16,716	17,487	18,351	19,311	20,371	21,531
Deficit	-431	-419	-276	-187	-61	27	136	301	479	671	871
Years to	16	30	64	83	264						
Estimate											

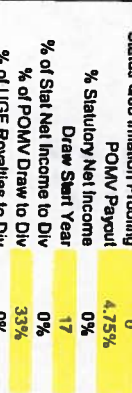
Price Scenario FY16-FY26



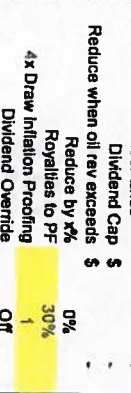
REVENUE VARIABLES



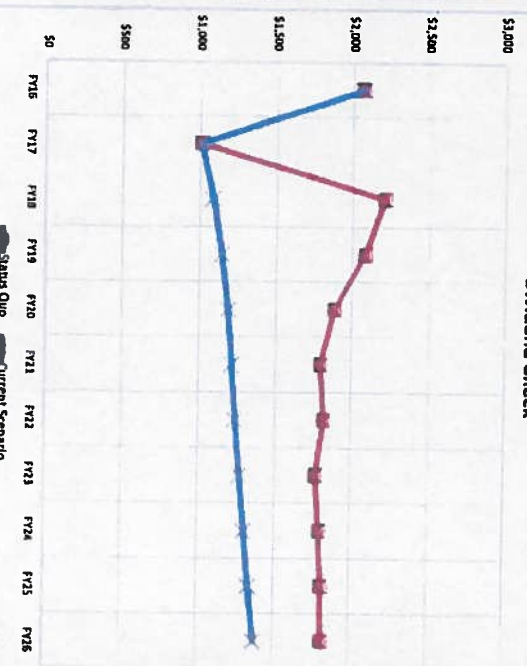
Permanent Fund Plan



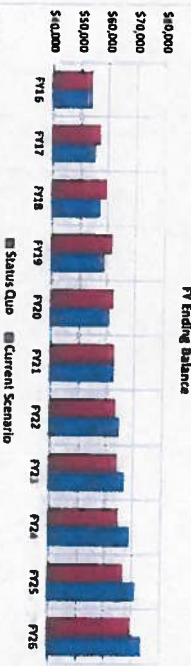
Plan Specifications



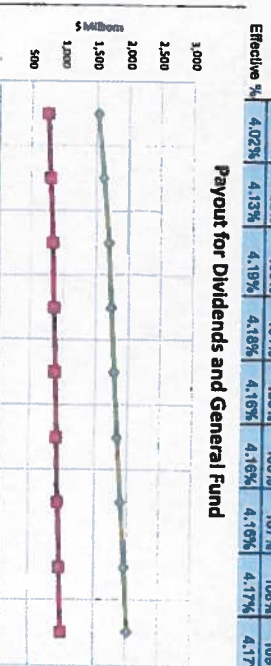
Dividend Check



Permanent Fund FY Ending Balance

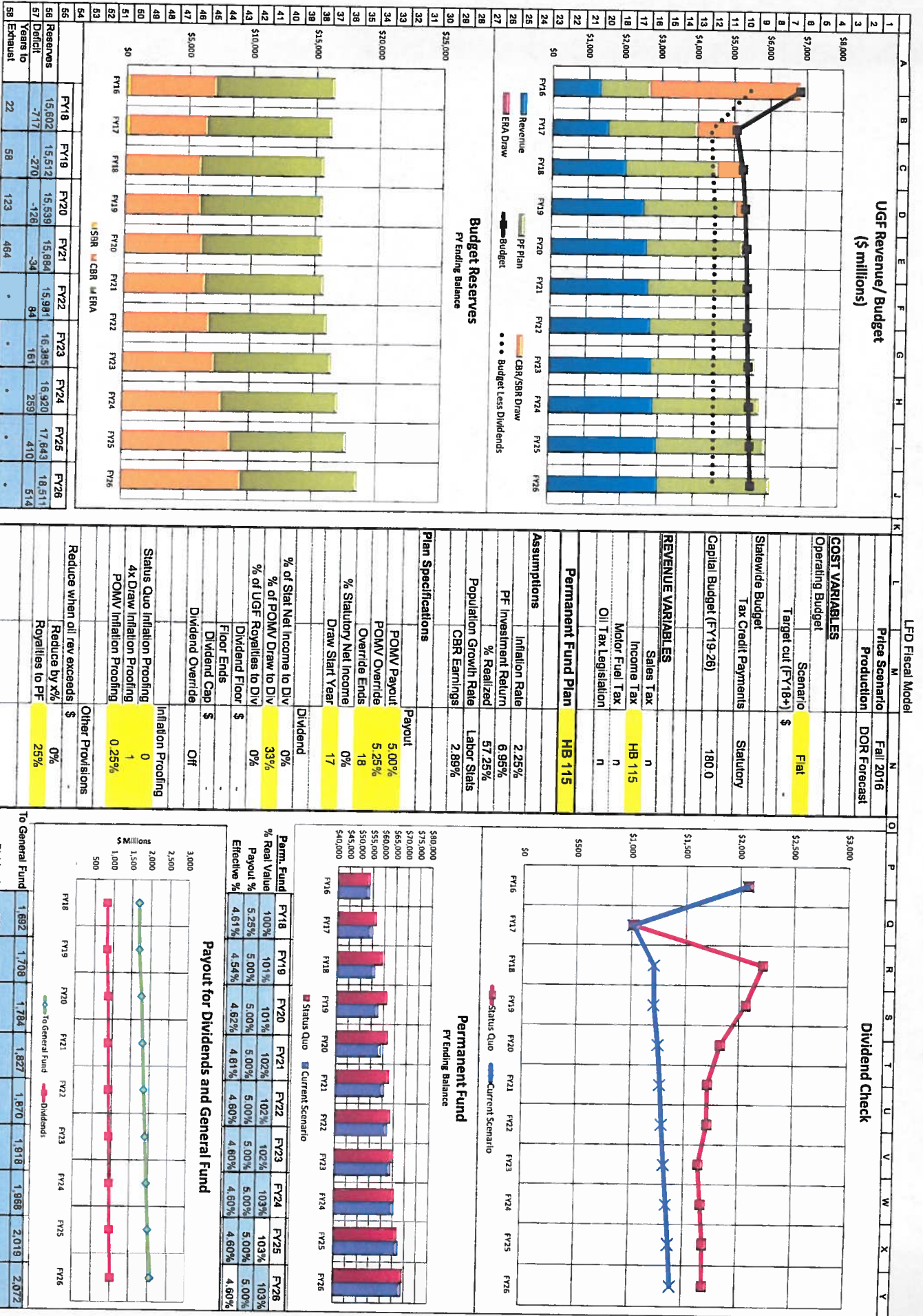


Payout for Dividends and General Fund



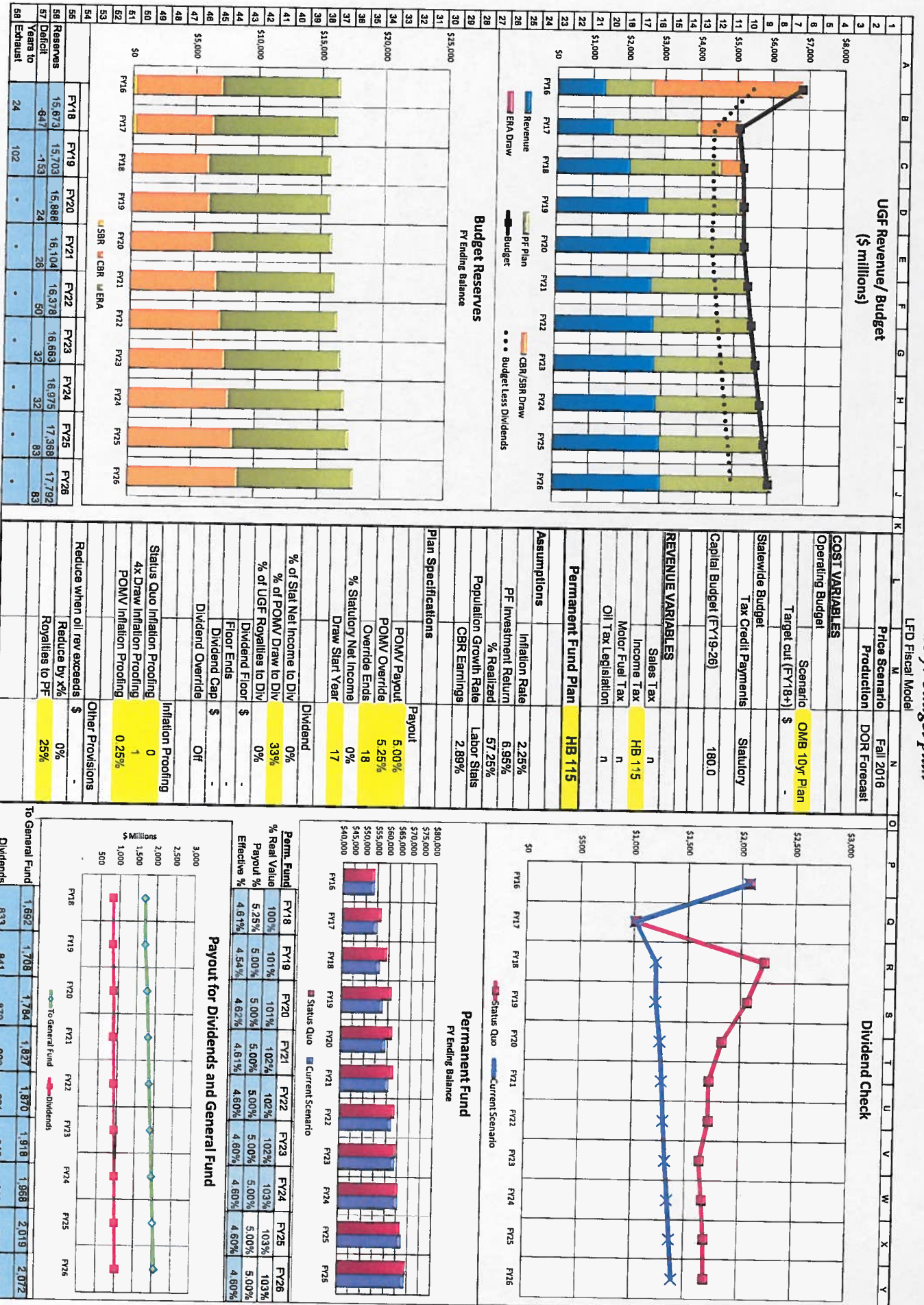
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
To General Fund	1,531	1,525	1,501	1,478	1,454	1,431	1,408	1,385	1,362	1,339	1,316
Dividends	754	800	838	861	885	913	943	974	1,005	1,036	1,067

# HB 115- POMV draw amended: 5.25% in FY18 & FY19. 5% after. Flat Budget

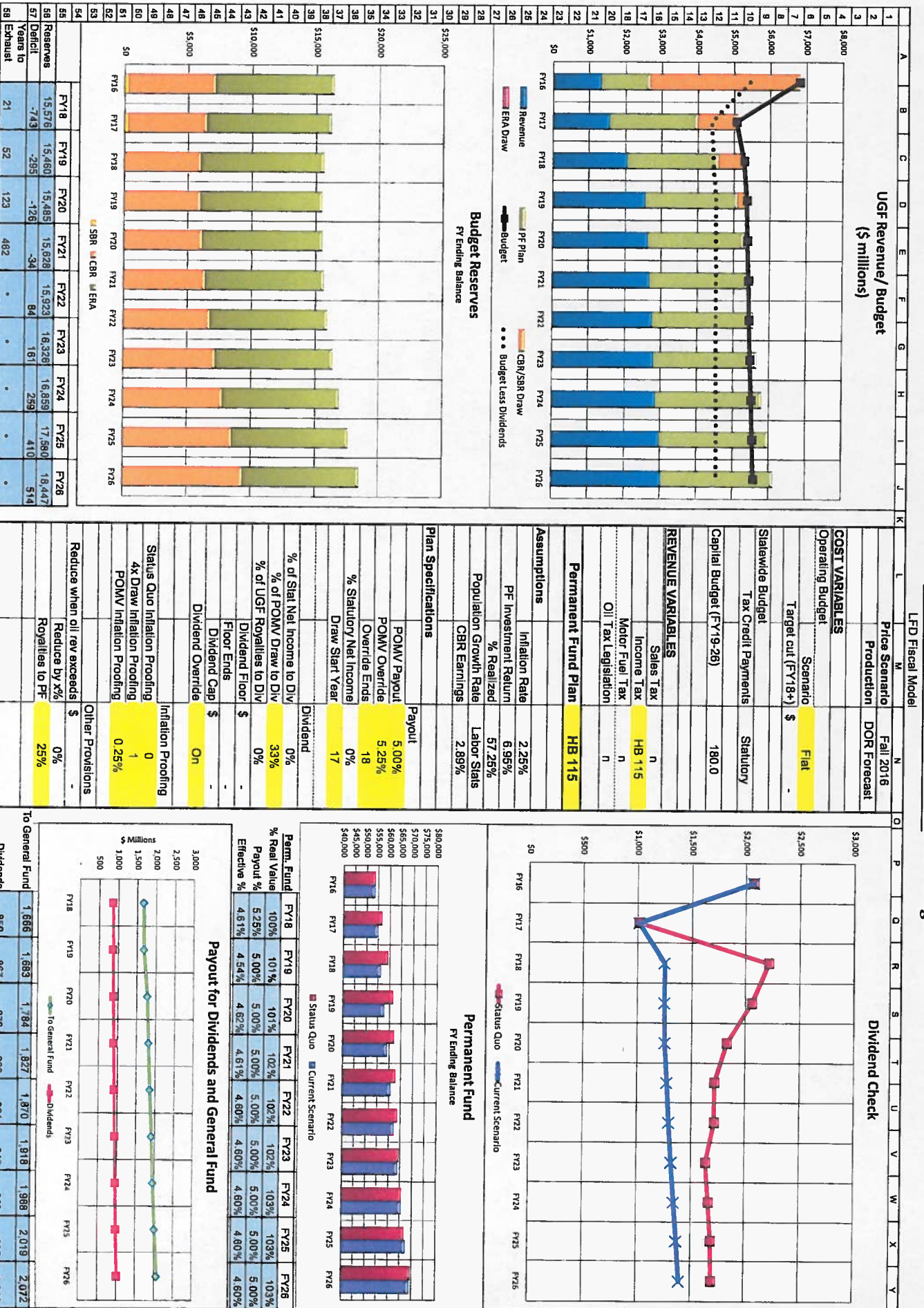




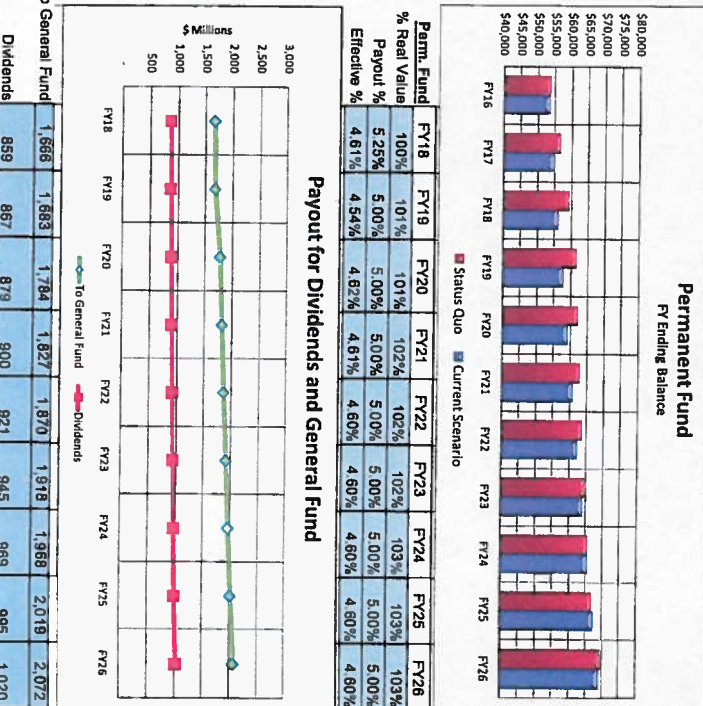
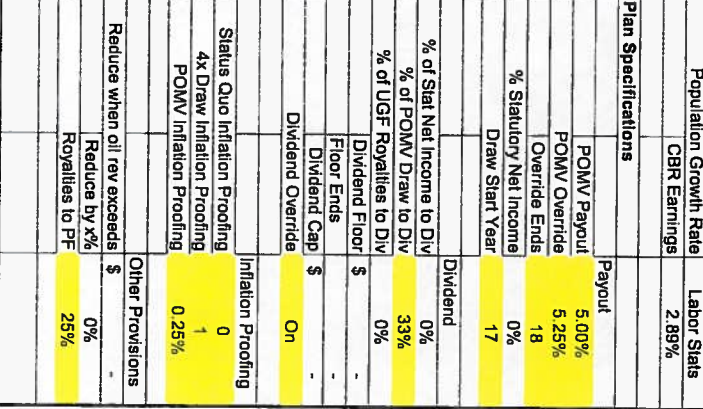
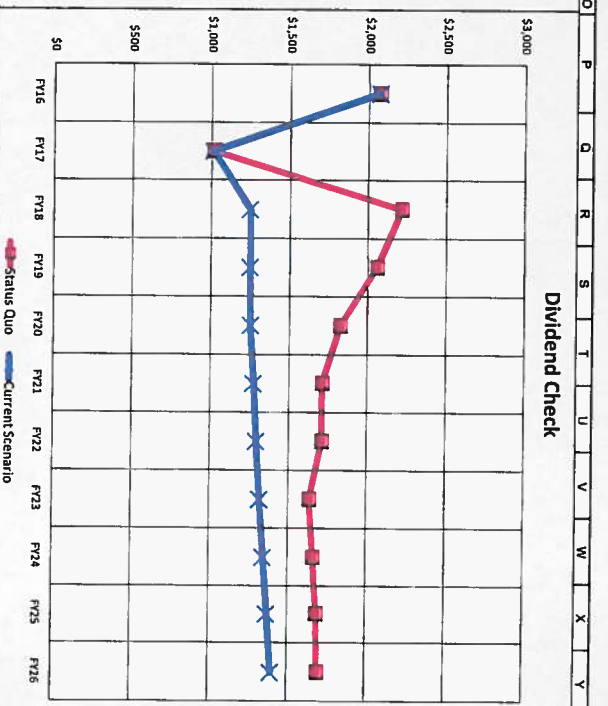
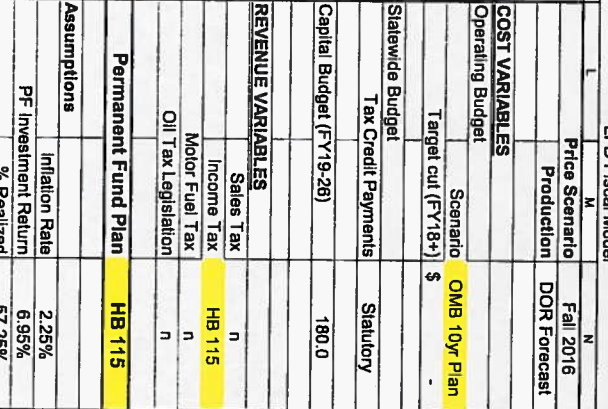
# HB 115- POMV draw amended: 5.25% in FY18 & FY19, 5% after. OMB 10 yr budget plan



HB 115- POMV draw amended: 5.25% in FY18 & FY19. 5% after. \$1250 PFD in FY18 & FY19. Flat Budget







AMENDMENT #2

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON  
FOSTER

1 Page 10, line 15:

2 Delete all material and insert:

3 "\* Sec. 13. AS 37.13.145(c) is repealed July 1, 2017.

4 \* Sec. 14. AS 43.05.085; AS 43.20.012(b), and 43.20.013 are repealed January 1, 2018.

5 \* Sec. 15. The uncodified law of the State of Alaska is amended by adding a new section to  
6 read:

7 FISCAL YEAR 2017. Notwithstanding another provision of law, the legislature may  
8 appropriate from the earnings reserve account for fiscal year 2017 the amount by which 5.25  
9 percent of the average market value of the fund for fiscal years 2011, 2012, 2013, 2014, and  
10 2015, computed annually for each fiscal year in accordance with generally accepted  
11 accounting principles, exceeds \$695,650,000. In this section, "average market value of the  
12 fund" includes the balance of the earnings reserve account established under AS 37.13.145,  
13 but does not include that portion of the principal attributed to the settlement of State v.  
14 Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District)."

15

16 Renumber the following bill sections accordingly.

17

18 Page 10, lines 27 - 28:

19 Delete "secs. 2 - 9 of this Act take effect after June 30, 2017, secs. 2 - 9 of this Act are  
20 retroactive to June 30"

21 Insert "sec. 15 of this Act takes effect after June 29, 2017, sec. 15 of this Act is  
22 retroactive to June 29"

23



1 Page 10, line 29:

2 Delete "Sections 1 - 9, 15, and 16"

3 Insert "Sections 15, 17, and 18"

4

5 Page 10, following line 30:

6 Insert a new bill section to read:

7 **"\* Sec. 19. Sections 1 - 9 and 13 of this Act take effect July 1, 2017."**

8

9 Renumber the following bill section accordingly.

10

11 Page 10, line 31:

12 Delete "sec. 17"

13 Insert "secs. 19 and 20"

AMENDMENT # 3

By: Rep. Garza

OFFERED IN THE HOUSE

TO: HB 115

1 Page 3, line 6:

2 Delete "a new subsection"

3 Insert "new subsections"

4

5 Page 3, line 7, following "(b)":

6 Insert "and (f)"

7

8 Page 3, line 10, following "(b)":

9 Insert "and (f)"

10

11 Page 3, following line 10:

12 Insert a new subsection to read:

13 "(f) After the appropriations under (b) of this section, but before the  
14 appropriation under (e) of this section, for fiscal years 2018 and 2019, the legislature  
15 may appropriate from the earnings reserve account an additional amount, if necessary,  
16 to provide a dividend of at least \$1,250 for each individual."

17

18 Page 10, following line 8:

19 Insert a new bill section to read:

20 "\*\* Sec. 12. AS 43.23.025 is amended by adding a new subsection to read:

21 (c) Notwithstanding (a) of this section, the amount of each permanent fund  
22 dividend for fiscal years 2018 and 2019 shall be \$1,250. If the amount of  
23 appropriations is not sufficient to provide the dividend amount in this subsection, the



1           commissioner shall reduce the dividend amount under this subsection by an equal  
2           amount for each eligible individual."  
3

4    Renumber the following bill sections accordingly.  
5

6    Page 10, following line 15:

7           Insert a new bill section to read:

8        "\* **Sec. 15.** AS 37.13.145(f) and AS 43.23.025(c) are repealed June 30, 2020."  
9

10   Renumber the following bill sections accordingly.  
11

12   Page 10, line 29:

13           Delete "15, and 16"

14           Insert "12, 14, 15, 17, and 18"  
15

16   Page 10, line 31:

17           Delete "sec. 17"

18           Insert "sec. 19"

AMENDMENT # 4

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON  
FOSTER

1 Page 3, lines 22 - 28:

2 Delete all material.

3

4 Renumber the following bill sections accordingly.

5

6 Page 10, line 18:

7 Delete "sec. 11"

8 Insert "sec. 10"

9

10 Page 10, line 19:

11 Delete "sec. 11"

12 Insert "sec. 10"

13

14 Page 10, line 27:

15 Delete "secs. 2 - 9" in both places

16 Insert "secs. 2 - 8" in both places

17

18 Page 10, line 29:

19 Delete "Sections 1 - 9, 15, and 16"

20 Insert "Sections 1 - 8, 14, and 15"

21

22 Page 10, line 31:

23 Delete "sec. 17"

24 Insert "sec. 16"



AMENDMENT #5

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON  
FOSTER

1 Page 1, line 1, following "dividend;":

2 Insert "relating to the permanent fund;"

3

4 Page 1, following line 9:

5 Insert new bill sections to read:

6 "\*\* Sec. 2. AS 37.05.550(b) is amended to read:

7 (b) The legislature may appropriate to the fund money received by the state as  
8 Alaska marine highway system program receipts or from a settlement or final judicial  
9 determination of the Dinkum Sands case (United States v. Alaska) and the North  
10 Slope royalty case (State v. Amerada Hess, et al.) and not deposited into the Alaska  
11 permanent fund under AS 37.13.010(a) [AS 37.13.010(a)(1) OR (2)] or into the public  
12 school trust fund under AS 37.14.150.

13 \* Sec. 3. AS 37.13.010(a) is amended to read:

14 (a) Under art. IX, sec. 15, of the state constitution, there is established as a  
15 separate fund the Alaska permanent fund. The Alaska permanent fund consists of

16 (1) 25 percent of all mineral lease rentals, royalties, royalty sale  
17 proceeds, net profit shares under AS 38.05.180(f) and (g), and federal mineral revenue  
18 sharing payments received by the state from mineral leases [ISSUED ON OR  
19 BEFORE DECEMBER 1, 1979], and 25 percent of all bonuses received by the state  
20 from mineral leases [ISSUED ON OR BEFORE FEBRUARY 15, 1980]; and

21 (2) [50 PERCENT OF ALL MINERAL LEASE RENTALS,  
22 ROYALTIES, ROYALTY SALE PROCEEDS, NET PROFIT SHARES UNDER  
23 AS 38.05.180(f) AND (g), AND FEDERAL MINERAL REVENUE SHARING

PAYMENTS RECEIVED BY THE STATE FROM MINERAL LEASES ISSUED  
AFTER DECEMBER 1, 1979, AND 50 PERCENT OF ALL BONUSES RECEIVED  
BY THE STATE FROM MINERAL LEASES ISSUED AFTER FEBRUARY 15,  
1980; AND

(3)] any other money appropriated to or otherwise allocated by law or  
former law to the Alaska permanent fund."

Renumber the following bill sections accordingly.

Page 10, line 18:

Delete "sec. 11"

Insert "sec. 13"

Page 10, line 19:

Delete "sec. 11"

Insert "sec. 13"

Page 10, line 27:

Delete "secs. 2 - 9" in both places

Insert "secs. 4 - 11" in both places

Page 10, line 29:

Delete "Sections 1 - 9, 15, and 16"

Insert "Sections 1 - 11, 17, and 18"

Page 10, line 31:

Delete "sec. 17"

Insert "sec. 19"

AMENDMENT #6

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON  
FOSTER

1 Page 10, following line 8:

2 Insert a new bill section to read:

3 "\*\* Sec. 12. AS 43.23.055 is amended to read:

4 **Sec. 43.23.055. Duties of the department.** The department shall

5 (1) annually pay permanent fund dividends from the dividend fund,  
6 without further appropriation;

7 (2) subject to AS 43.23.011 and paragraph (8) of this section, adopt  
8 regulations under AS 44.62 (Administrative Procedure Act) that establish procedures  
9 and time limits for claiming a permanent fund dividend; the department shall  
10 determine the number of eligible applicants by October 1 of the year for which the  
11 dividend is declared and pay the dividends by December 31 of that year;

12 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)  
13 that establish procedures and time limits for an individual upon emancipation or upon  
14 reaching majority to apply for permanent fund dividends not received during minority  
15 because the parent, guardian, or other authorized representative did not apply on  
16 behalf of the individual;

17 (4) assist residents of the state, particularly in rural areas, who because  
18 of language, disability, or inaccessibility to public transportation need assistance to  
19 establish eligibility and to apply for permanent fund dividends;

20 (5) use a list of individuals ineligible for a dividend under  
21 AS 43.23.005(d) provided annually by the Department of Corrections and the  
22 Department of Public Safety to determine the number and identity of those  
23 individuals;



1 (6) adopt regulations that are necessary to implement AS 43.23.005(d);

2 (7) adopt regulations that establish procedures for the parent, guardian,  
3 or other authorized representative of a disabled individual to apply for prior year  
4 permanent fund dividends not received by the disabled individual because no  
5 application was submitted on behalf of the individual;

6 (8) adopt regulations that establish procedures for an individual to  
7 apply to have a dividend disbursement under AS 37.25.050(a)(2) reissued if it is not  
8 collected within two years after the date of its issuance; however, the department may  
9 not establish a time limit within which an application to have a disbursement reissued  
10 must be filed;

11 (9) provide any information, upon request, contained in permanent  
12 fund dividend records to the child support services agency created in AS 25.27.010, or  
13 the child support enforcement agency of another state, for child support purposes  
14 authorized under law; if the information is contained in an electronic data base, the  
15 department shall provide the requesting agency with either

16 (A) access to the data base; or

17 (B) a copy of the information in the data base and a statement  
18 certifying its contents;

19 (10) establish a fraud investigation unit for the purpose of assisting the

20 (A) Department of Law in the prosecution of individuals who  
21 apply for or obtain a permanent fund dividend in violation of a provision in  
22 AS 11, by detecting and investigating those crimes; and

23 (B) commissioner to detect and investigate the claiming or  
24 paying of permanent fund dividends that should not have been claimed by or  
25 paid to an individual and to impose the penalties and enforcement provisions  
26 under AS 43.23.035."

27  
28 Renumber the following bill sections accordingly.

29  
30 Page 10, line 29:

31 Delete "15, and 16"

1           Insert "12, 16, and 17"

2

3   Page 10, line 31:

4           Delete "sec. 17"

5           Insert "sec. 18"

AMENDMENT

# 7

By: Rep. Seaton  
Rep. Foster

OFFERED IN THE HOUSE  
TO: HB 115

Page 3, lines 7 - 10:

Delete all material and insert:

"(e) Each year that the balance of the earnings reserve account exceeds four times the amount calculated for appropriation under (b) of this section, after the appropriations under (b) of this section, the legislature may appropriate from the earnings reserve account to the principal of the permanent fund the lesser of the

(1) amount by which the balance of the earnings reserve account exceeds four times the amount calculated for appropriation under (b) of this section; or

(2) cumulative amount of inflation on the principal of the fund between the current fiscal year and June 30, 2015, less amounts transferred after June 30, 2015, to the fund to offset the effect of inflation on the principal of the fund."



30-LS0125E.1  
Nauman  
2/16/17

AMENDMENT #8

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON

*Representative Foster*

- 1 Page 2, line 12:
- 2 Delete "excluding"
- 3 Insert "including"

30-LS0125\E.2  
Nauman  
2/16/17

AMENDMENT # 9

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON

*Representative Foster*

- 1 Page 2, line 24:
- 2 Delete "income"
- 3 Insert "amount [INCOME]"

AMENDMENT # 10

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE SEATON  
FOSTER

1 Page 2, line 11:

2 Delete "4.75"

3 Insert "five"

4

5 Page 2, following line 18:

6 Insert a new bill section to read:

7 **"\* Sec. 4. AS 37.13.140(b), added by sec. 3 of this Act, is amended to read:**

8 (b) The corporation shall determine the amount available for distribution each  
9 year. The amount available for distribution is 4.75 [FIVE] percent of the average  
10 market value of the fund for the first five of the preceding six fiscal years, excluding  
11 the fiscal year just ended, computed annually for each fiscal year in accordance with  
12 generally accepted accounting principles. In this subsection, "the average market value  
13 of the fund" includes the balance of the earnings reserve account established under  
14 AS 37.13.145, but does not include that portion of the principal attributed to the  
15 settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First  
16 Judicial District)."

17

18 Renumber the following bill sections accordingly.

19

20 Page 2, line 23, following "(1)":

21 Insert "principal of the fund, 0.25 percent of the average market value of the fund  
22 for the first five of the preceding six fiscal years, excluding the fiscal year just ended,  
23 computed annually for each fiscal year in accordance with generally accepted



1 accounting principles; in this paragraph, "average market value of the fund" has the  
 2 meaning given in AS 37.13.140(b);

3 (2)"  
 4

5 Page 2, line 24:

6 Delete "income"

7 Insert "amount [INCOME]"  
 8

9 Page 2, line 25:

10 Delete "(2)"

11 Insert "(3)"

12 Delete "income"

13 Insert "amount"  
 14

15 Page 10, line 18:

16 Delete "sec. 11"

17 Insert "sec. 12"  
 18

19 Page 10, line 19:

20 Delete "sec. 11"

21 Insert "sec. 12"  
 22

23 Page 10, line 27:

24 Delete "secs. 2 - 9" in both places

25 Insert "secs. 2, 3, and 5 - 10" in both places  
 26

27 Page 10, line 29:

28 Delete "Sections 1 - 9, 15, and 16"

29 Insert "Sections 1 - 3, 5 - 10, 16, and 17"  
 30

31 Page 10, following line 30:

- 1           Insert a new bill section to read:
- 2       **"\* Sec. 19.** Section 4 of this Act takes effect July 1, 2019."
- 3
- 4       Renumber the following bill section accordingly.
- 5
- 6       Page 10, line 31:
- 7           Delete "sec. 17"
- 8           Insert "secs. 18 and 19"

AMENDMENT #11

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE PRUITT

1 Page 1, line 1, following "dividend;":

2 Insert "relating to procurement by the Alaska Permanent Fund Corporation;"

3

4 Page 1, following line 9:

5 Insert new bill sections to read:

6 "\* Sec. 2. AS 36.30.015 is amended by adding a new subsection to read:

7 (l) The board of trustees of the Alaska Permanent Fund Corporation shall  
8 adopt regulations to govern the procurement of supplies, services, and professional  
9 services. The regulations must be similar to the procedures described in this chapter  
10 and in regulations adopted under this chapter. Notwithstanding any other provisions of  
11 this subsection, the Alaska Permanent Fund Corporation shall comply with the five  
12 percent preference under AS 36.30.321(a) and the requirement that contracts for legal  
13 services be approved by the attorney general under (d) of this section.

14 \* Sec. 3. AS 36.30.990(1) is amended to read:

15 (1) "agency"

16 (A) means a department, institution, board, commission,  
17 division, authority, public corporation, the Alaska Pioneers' Home, the Alaska  
18 Veterans' Home, or other administrative unit of the executive branch of state  
19 government;

20 (B) does not include

21 (i) the University of Alaska;

22 (ii) the Alaska Railroad Corporation;

23 (iii) the Alaska Housing Finance Corporation;

(iv) a regional Native housing authority created under AS 18.55.996 or a regional electrical authority created under AS 18.57.020;

(v) the Department of Transportation and Public Facilities, in regard to the repair, maintenance, and reconstruction of vessels, docking facilities, and passenger and vehicle transfer facilities of the Alaska marine highway system;

(vi) the Alaska Aerospace Corporation;

(vii) the Alaska Retirement Management Board;

(viii) the Alaska Seafood Marketing Institute;

(ix) the Alaska children's trust and the Alaska Children's Trust Board;

(x) the Alaska Industrial Development and Export Authority;

**(xi) the Alaska Permanent Fund Corporation;**"

Renumber the following bill sections accordingly.

Page 10, line 18:

Delete "sec. 11"

Insert "sec. 13"

Page 10, line 19:

Delete "sec. 11"

Insert "sec. 13"

Page 10, line 22, following "REGULATIONS.":

Insert "(a)"

Page 10, following line 24:

Insert a new subsection to read:



1           "(b) The commissioner of revenue and the Alaska Permanent Fund Corporation may  
2 adopt regulations, policies, and procedures necessary to implement this Act. The regulations,  
3 policies, or procedures may not take effect before the effective date of the law implemented  
4 by the regulation, policy, or procedure."  
5

6 Page 10, line 27:

7           Delete "secs. 2 - 9" in both places

8           Insert "secs. 4 - 11" in both places  
9

10 Page 10, line 29:

11           Delete "Sections 1 - 9, 15, and 16"

12           Insert "Sections 1, 4 - 11, 17, and 18"  
13

14 Page 10, line 31:

15           Delete "sec. 17"

16           Insert "sec. 19"

AMENDMENT #12

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE THOMPSON

1 Page 1, line 1, following "dividends;":

2 Insert "relating to the management of the budget reserve fund;"

3

4 Page 1, following line 9:

5 Insert a new bill section to read:

6 "\* Sec. 2. AS 37.10.430(c) is amended to read:

7 (c) A special subaccount is established in the budget reserve fund (art. IX, sec.  
8 17, Constitution of the State of Alaska). Money in the subaccount shall be invested to  
9 yield higher returns than might be feasible to obtain with other money in the budget  
10 reserve fund. [IN ESTABLISHING OR MODIFYING THE INVESTMENT POLICY  
11 FOR THE SUBACCOUNT IN THE CONSTITUTIONAL BUDGET RESERVE  
12 FUND, THE COMMISSIONER OF REVENUE SHALL ASSUME THAT THOSE  
13 FUNDS WILL NOT BE NEEDED FOR AT LEAST FIVE YEARS.] Income earned  
14 on money in the subaccount shall be retained in the subaccount by the department."

15

16 Renumber the following bill sections accordingly.

17

18 Page 10, line 18:

19 Delete "sec. 11"

20 Insert "sec. 12"

21

22 Page 10, line 19:

23 Delete "sec. 11"

1           Insert "sec. 12"

2

3   Page 10, line 27:

4           Delete "secs. 2 - 9" in both places

5           Insert "secs. 3 - 10" in both places

6

7   Page 10, line 29:

8           Delete "Sections 1 - 9, 15, and 16"

9           Insert "Sections 1, 3 - 10, 16, and 17"

10

11   Page 10, line 31:

12           Delete "sec. 17"

13           Insert "sec. 18"

AMENDMENT #13

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE THOMPSON

1 Page 2, line 9:

2 Delete "a new subsection"

3 Insert "new subsections"

4

5 Page 2, following line 18:

6 Insert a new subsection to read:

7 "(c) In accordance with AS 37.13.145(b)(1), and subject to appropriation, 33  
8 percent of the amount available for distribution under (b) of this section shall be  
9 reserved for dividends. The remainder of the amount calculated to be available for  
10 distribution under (b) of this section shall be reduced by the difference between the  
11 amount calculated under (1) of this subsection and the amount under (2) of this  
12 subsection if the amount calculated under (1) of this subsection exceeds the amount  
13 under (2) of this subsection:

14 (1) the total amount of oil and gas production taxes under  
15 AS 43.55.011 - 43.55.180, mineral lease rentals, royalties, royalty sale proceeds, net  
16 profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing  
17 payments and bonuses received by the state from mineral leases that are deposited into  
18 the general fund in the current fiscal year;

19 (2) the sum of \$1,200,000,000."



AMENDMENT #14

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: HB 115

1 Page 10, line 15:

2 Delete "AS 37.13.145(c);"

AMENDMENT #15

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE THOMPSON

1 Page 1, line 1, following the second occurrence of "the":

2 Insert "transfer and"

3

4 Page 3, line 6:

5 Delete "a new subsection"

6 Insert "new subsections"

7

8 Page 3, line 9, following "account":

9 Insert ", including the principal security subaccount,"

10

11 Page 3, following line 10:

12 Insert a new subsection to read:

13 "(f) A special principal security subaccount is established in the earnings  
14 reserve account. Money in the account shall be invested in investments authorized  
15 under AS 37.13.120. Each year, after the appropriations made in (b) of this section, the  
16 corporation shall transfer from the earnings reserve account to the subaccount an  
17 amount sufficient to offset the effect of inflation on principal of the fund during that  
18 fiscal year. The corporation shall calculate the amount to transfer to the principal  
19 security subaccount under this subsection by

20 (1) computing the average of the monthly United States Consumer  
21 Price Index for all urban consumers for each of the two previous calendar years;

22 (2) computing the percentage change between the first and second  
23 calendar year average; and

- 1 (3) applying that rate to the value of the principal of the fund on the last
- 2 day of the fiscal year just ended."

AMENDMENT #16

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE WILSON

1 Page 1, line 5, following "Act;":

2 Insert "authorizing an advisory vote to approve legislative action that  
3 appropriates money from the earnings reserve account for a purpose other than a  
4 payment of a permanent fund dividend and making the legislative action contingent on  
5 the advisory vote receiving an affirmative majority vote;"  
6

7 Page 10, following line 24:

8 Insert new bill sections to read:

9 "\*\* Sec. 16. The uncoded law of the State of Alaska is amended by adding a new section to  
10 read:

11 ADVISORY VOTE. At a special election to be held in substantial compliance with  
12 the election laws of the state, including absentee voting and the preparation, publication, and  
13 mailing of an election pamphlet under AS 15.58, the lieutenant governor shall place before  
14 the qualified voters of the state a question advisory to the legislature and the governor. The  
15 election pamphlet for the special election must comply with AS 15.58.020(a)(6), including the  
16 requirement that it contain statements that advocate voter approval or rejection of the  
17 question. Notwithstanding AS 15.80.005 and other laws relating to preparation of the ballot  
18 proposition, the question shall appear on the ballot in the following form:

19 QUESTION

20 Do you approve of the passage by the Alaska State Legislature of a bill  
21 that allows the legislature to appropriate money from the earnings reserve  
22 account for a purpose other than a payment of a permanent fund dividend?  
23

Yes [ ]

No [ ]



1     \* **Sec. 17.** The uncoded law of the State of Alaska is amended by adding a new section to  
2 read:

3           NOTICE TO THE REVISOR OF STATUTES. The director of elections shall notify  
4 the revisor of statutes when the results of the election have been certified under AS 15.15.450  
5 if the advisory vote authorized in sec. 16 of this Act receives an affirmative majority vote.

6     \* **Sec. 18.** The uncoded law of the State of Alaska is amended by adding a new section to  
7 read:

8           CONDITIONAL EFFECT. Sections 4 and 6 of this Act take effect only if the director  
9 of elections notifies the revisor of statutes under sec. 17 of this Act that the question in the  
10 advisory vote under sec. 16 of this Act received an affirmative majority vote.

11     \* **Sec. 19.** If, under sec. 18 of this Act, secs. 4 and 6 of this Act take effect, they take effect  
12 on July 1 of the year following the year in which the notice is given under sec. 18 of this Act."  
13

14 Renumber the following bill sections accordingly.  
15

16 Page 10, line 29:

17           Delete "16"

18           Insert "16 - 20"

19

20 Page 10, line 31:

21           Delete "sec. 17"

22           Insert "sec. 21"

AMENDMENT #17

OFFERED IN THE HOUSE  
TO: HB 115

BY REPRESENTATIVE WILSON

1 Page 1, line 5, following "Act;":

2 Insert "authorizing an advisory vote on legislative action that imposes an income  
3 tax and making the legislative action contingent on the advisory vote receiving an  
4 affirmative majority vote;"  
5

6 Page 10, following line 24:

7 Insert new bill sections to read:

8 "\*\* Sec. 16. The uncoded law of the State of Alaska is amended by adding a new section to  
9 read:

10 ADVISORY VOTE. At a special election to be held in substantial compliance with  
11 the election laws of the state, including absentee voting and the preparation, publication, and  
12 mailing of an election pamphlet under AS 15.58, the lieutenant governor shall place before  
13 the qualified voters of the state a question advisory to the legislature and the governor. The  
14 election pamphlet for the special election must comply with AS 15.58.020(a)(6), including the  
15 requirement that it contain statements that advocate voter approval or rejection of the  
16 question. Notwithstanding AS 15.80.005 and other laws relating to preparation of the ballot  
17 proposition, the question shall appear on the ballot in the following form:

18 Q U E S T I O N

19 Do you approve of the passage by the Alaska State Legislature of a bill  
20 that imposes an individual income tax?

21 Yes [ ] No [ ]

22 \* Sec. 17. The uncoded law of the State of Alaska is amended by adding a new section to  
23 read:

1 NOTICE TO THE REVISOR OF STATUTES. The director of elections shall notify  
2 the revisor of statutes when the results of the election have been certified under AS 15.15.450  
3 if the advisory vote authorized in sec. 16 of this Act receives an affirmative majority vote.

4 \* Sec. 18. The uncodified law of the State of Alaska is amended by adding a new section to  
5 read:

6 CONDITIONAL EFFECT. Section 11 of this Act takes effect only if the director of  
7 elections notifies the revisor of statutes under sec. 17 of this Act that the question in the  
8 advisory vote under sec. 16 of this Act received an affirmative majority vote.

9 \* Sec. 18. If, under sec. 17 of this Act, sec. 11 of this Act takes effect, it takes effect on  
10 January 1 of the year following the year in which the notice is given under sec. 17 of this  
11 Act."

12

13 Renumber the following bill sections accordingly.

14

15 Page 10, line 29:

16 Delete "16"

17 Insert "16 - 20"

18

19 Page 10, line 31:

20 Delete "sec. 17"

21 Insert "sec. 21"