



# Representative Chris Tuck

## House Majority Leader

Serving House District 23 • Dimond Estates, Foxridge, Taku, Campbell, Northwood, and Windemere

### Sponsor Statement for House Joint Resolution 23

#### *Constitutional Amendment relating to the Alaska Permanent Fund*

Alaska's Constitution provides unique aspects to ensure Alaskans are provided opportunities to benefit from our rich natural resources. Article VIII, Section 2 states, "The legislature shall provide for the utilization, development and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of its people."

In 1976, the Constitution was amended to create the Permanent Fund after oil on the North Slope began flowing, turning our non-renewable resources into a savings to provide future generations of Alaskans a share in their natural resource. Article IX, Section 15 states that at least twenty-five percent of petroleum and resource revenues are to be deposited into the Permanent Fund -- these funds are invested and constitutionally prohibited from being spent. The earnings may appropriated by the legislature for any purpose after dividends are paid and the fund is inflation proofed.

In 1982, the Alaska State Legislature approved the Permanent Fund Dividend, a measure that appropriated to each and every Alaskan a check that reflected some of the earnings in the Permanent Fund. The dividend is a way to make sure each and every Alaskan receives a share of our state's resources creates a vital connection between the people and the government.

Many Alaskans count on their dividend to provide for their family, reduce debt and pay for their education. A study conducted by the Institute of Social and Economic Research found that the permanent fund dividends lifted about 25,000 Alaskans out of poverty in 2015. On average over the last five years, PFDs reduced the poverty rate in Alaska from 11.4% to 9.1%.

Creating a safeguard against legislative spending of the dividend ensures that this valuable economic stimulus money stays in the hands of the people most able to spend it appropriately: individual Alaskans. Multiple economists point to the value of the dividend, and the harm that would come to the Alaska economy should it be eliminated.

There is no language in our state Constitution that protects the funds eligible for distribution from being spent by the legislature for other purposes. As our state faces massive deficits, it is the duty of the legislature to protect future generations.

This resolution would allow a vote to the people of Alaska to decide if the Permanent Fund Dividend should be protected in the Alaska Constitution.

Session (January-April):  
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