

CSHJR 7 (STA) Sectional

(Constitutional Amendment: Permanent Fund)

May 20, 2021

Section 1: This section would amend the existing language of the permanent fund amendment to provide that permanent fund income shall be retained in the permanent fund except as provided in new subsections (b), (c) and (d) as set forth in Section 2.

Section 2: This section would create three new subsections in the permanent fund amendment.

Subsection (b) would provide that each fiscal year the legislature may appropriate from the permanent fund to the general fund not more than five percent of the market value of the permanent fund for the first five of the preceding six fiscal years.

Subsection (c) would provide that a portion of the amount appropriated under subsection (b) shall be allocated for permanent fund dividends as provided by law. Subsection (c) further provides that a change in the amount allocated for dividends must be approved by the voters as set forth in subsection (d).

Subsection (d) would require that a law passed by the legislature to amend the amount allocated for permanent fund dividends would not take effect unless the voters approved the proposed law at the next statewide election. If approved by the voters, it would take effect 90 days after certification of the election or on a special effective date concurred in by two-thirds of the members of each house upon passage, whichever date is later.

Section 3: This transition provision would provide that on June 30, 2023 the unencumbered balance of the earnings reserve account would be deposited in the permanent fund, and that the amendments to the permanent fund would apply to appropriations made for fiscal year 2024 and thereafter.

Additionally, the transition provision would provide that for purposes of the permanent fund amendment, the law governing the amount allocated for permanent fund dividends under Section 15(c) would be the law in place at the time of the adoption of the 2022 amendments to the permanent fund. Additionally, the law setting forth that amount would not be a law that is enacted in an appropriation bill. Further, a change in the law regarding dividends would be subject to the requirements set forth in Section 15(d) requiring voter approval.

Section 4: This section would require that this amendment be placed on the ballot in the 2022 general election.