CSSJR 6 (JUD) 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) – (f) as set forth in Section 2.

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

Subsection (b) would provide that each fiscal year the legislature shall appropriate 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 each fiscal year an amount equal to fifty percent of the maximum amount available for appropriation under subsection (b) shall be transferred for dividend payments to residents of the State. Subsection (c) also provides that this transfer shall take place "[n]otwithstanding Section 13 of this article" which is the general requirement that no money shall be withdrawn from the treasury except by appropriation and further provides that "notwithstanding Section 15 of Article II" the governor may not veto or reduce a transfer under this section.

Subsection (d) would provide that each fiscal year the legislature shall appropriate a portion of the amount appropriated under subsection (b) for power cost equalization according to state law but this amount may not exceed fifty percent of the amount appropriated under subsection (b).

Subsection (e) would provide that each fiscal year the legislature may appropriate to the general fund the portion of amount appropriated under subsection (b) remaining after the transfer and appropriations under subsections (c) and (d).

Subsection (f) would provide that the permanent fund may be used to pay the costs associated with making investments under section (a) of the permanent fund amendment.

Section 3: This transition provision would address three issues.

Subsection (a) would provide that on June 30, 2023, the unencumbered balance of the earnings reserve account would be deposited in the permanent fund.

Subsection (b) would provide that on June 30, 2023, the unencumbered balance of the power cost equalization endowment fund would be deposited in the permanent fund.

Subsection (c) would provide that the amendments to the permanent fund would apply to appropriations made for fiscal year 2024 and thereafter.

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