

SENATE JOINT RESOLUTION NO. 9

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY SENATORS STEDMAN, Begich

Introduced: 1/16/18

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 and to appropriations from the Alaska permanent fund.**

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

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

5 **Section 15. Alaska Permanent Fund. (a)** At least twenty-five percent of all
6 mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing
7 payments and bonuses received by the State shall be placed in a permanent fund, the
8 principal of which shall be used only for those income-producing investments
9 specifically designated by law as eligible for permanent fund investments. **Income**
10 **from the fund shall be separately accounted for and deposited in the fund as soon**
11 **as it is received. Income from the fund may be appropriated only as provided in**
12 **this section** [ALL INCOME FROM THE PERMANENT FUND SHALL BE
13 DEPOSITED IN THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY
14 LAW].

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

(b) Each fiscal year, the legislature

(1) shall appropriate an amount equal to at least two percent of the average market value of the balance of the fund based on the average fiscal-year-end market value of the balance of the fund for the last five of the six fiscal years immediately preceding that fiscal year, including any unrealized gains and losses, for use in a program of dividend payments to State residents as provided by law; and

(2) may, after the appropriation made in (1) of this subsection, appropriate an additional amount to the general fund or to the principal of the fund.

(c) Total appropriations under (b) of this section may not exceed four and one-half percent of the average market value of the balance of the fund based on the average fiscal-year-end market value of the balance of the fund for the last five of the six fiscal years immediately preceding that fiscal year, including any unrealized gains and losses.

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

Section 30. Permanent Fund Amendments: Transition. (a) On June 30, 2019, the unencumbered balance of the earnings reserve account established by law shall be deposited in the Alaska permanent fund and become part of the principal of the fund.

(b) The 2018 amendments relating to the Alaska permanent fund (art. IX, sec. 15) apply to appropriations made for the fiscal year ending June 30, 2020, and thereafter.

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