



AMENDMENT

OFFERED IN THE SENATE
TO: SB 53

BY SENATOR HOLLAND

1 Page 1, lines 3 - 4:

2 Delete "providing for an effective date by repealing the effective date of sec. 8, ch.
3 16, SLA 2018;"

4

5 Page 2, line 6:

6 Delete "five [5.25]"

7 Insert "five"

8

9 Page 5, line 2:

10 Delete "First"

11 Insert "Second"

12

13 Page 5, lines 13 - 14:

14 Delete all material.

15

16 Renumber the following bill sections accordingly.

17

18 Page 5, line 16:

19 Delete "sec. 12"

20 Insert "sec. 10"

21 Delete "July 1, 2021"

22 Insert "July 1, 2022"

AMENDMENT

#2

OFFERED IN THE SENATE
TO: SB 53

BY SENATOR HOLLAND

- 1 Page 2, line 19, following " AS 43.23.045,":
- 2 Insert "not less than
- 3
- 4 Page 2, line 22, following "fund,":
- 5 Insert "up to"

AMENDMENT

#3

OFFERED IN THE SENATE
TO: SB 53

BY SENATOR MYERS

1 Page 1, lines 3 - 4:

2 Delete "relating to an advisory vote on the permanent fund; providing for an
3 effective date by repealing the effective date of sec. 8, ch. 16, SLA 2018;"

4

5 Page 2, line 6:

6 Delete "five [5.25]"

7 Insert "five"

8

9 Page 2, following line 14:

10 Insert a new bill section to read:

11 **"* Sec. 2.** AS 37.13.140, as amended by sec. 1 of this Act, is amended to read:

12 **Sec. 37.13.140. Income. (a) Net income of the fund includes income of the**
13 **earnings reserve account established under AS 37.13.145.** Net income of the fund
14 shall be computed annually as of the last day of the fiscal year in accordance with
15 generally accepted accounting principles, excluding any unrealized gains or losses.
16 **Income available for distribution equals 21 percent of the net income of the fund**
17 **for the last five fiscal years, including the fiscal year just ended, but may not**
18 **exceed net income of the fund for the fiscal year just ended plus the balance in**
19 **the earnings reserve account described in AS 37.13.145.**

20 (b) The corporation shall determine the amount available for appropriation
21 each year. The amount available for appropriation is five percent of the average
22 market value of the fund for the first five of the preceding six fiscal years, including
23 the fiscal year just ended, computed annually for each fiscal year in accordance with

1 generally accepted accounting principles. In this subsection, "average market value of
 2 the fund" includes the balance of the earnings reserve account established under
 3 AS 37.13.145, but does not include that portion of the principal attributed to the
 4 settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First
 5 Judicial District). [THE AMOUNT AVAILABLE FOR APPROPRIATION MAY
 6 NOT EXCEED THE BALANCE IN THE EARNINGS RESERVE ACCOUNT
 7 DESCRIBED IN AS 37.13.145.]"

8
 9 Renumber the following bill sections accordingly.

10
 11 Page 2, following line 23:

12 Insert a new bill section to read:

13 **** Sec. 4.** AS 37.13.145(b), as amended by sec. 3 of this Act, is amended to read:

14 (b) **At the end of each** [EACH] fiscal year, the **corporation shall transfer**
 15 [LEGISLATURE MAY APPROPRIATE] from the earnings reserve account to the
 16 [(1)] dividend fund established under AS 43.23.045, 50 percent of the
 17 **income** [AMOUNT] available for **distribution** [APPROPRIATION] under
 18 **AS 37.13.140** [AS 37.13.140(b); AND
 19 (2) GENERAL FUND, 50 PERCENT OF THE AMOUNT
 20 AVAILABLE FOR APPROPRIATION UNDER AS 37.13.140(b)]."

21
 22 Renumber the following bill sections accordingly.

23
 24 Page 3, following line 10:

25 Insert a new bill section to read:

26 **** Sec. 6.** AS 37.13.145(c), as amended by sec. 5 of this Act, is amended to read:

27 (c) After the **transfer** [APPROPRIATIONS] under (b) **and an appropriation**
 28 **under (g)** of this section, the **corporation shall transfer** [LEGISLATURE MAY
 29 APPROPRIATE] from the earnings reserve account to the principal of the fund an
 30 amount sufficient to offset the effect of inflation on the principal of the fund during
 31 that fiscal year. However, none of the amount transferred shall be applied to increase

1 the value of that portion of the principal attributed to the settlement of State v.
 2 Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District) on
 3 July 1, 2004. The corporation shall calculate the amount to transfer to the principal
 4 under this subsection by

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

7 (2) computing the percentage change between the first and second
 8 calendar year average; and

9 (3) applying that rate to the value of the principal of the fund on the
 10 last day of the fiscal year just ended, including that portion of the principal attributed
 11 to the settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court,
 12 First Judicial District)."

13
 14 Renumber the following bill sections accordingly.

15
 16 Page 3, following line 21:

17 Insert new bill sections to read:

18 **"* Sec. 8.** AS 37.13.145(d), as amended by sec. 7 of this Act, is amended to read:

19 (d) Notwithstanding (b) of this section, income earned on money awarded in
 20 or received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior
 21 Court, First Judicial District), including settlement, summary judgment, or adjustment
 22 to a royalty-in-kind contract that is tied to the outcome of this case, or interest earned
 23 on the money, or on the earnings of the money shall be treated in the same manner as
 24 other income of the Alaska permanent fund, except that it is not available for
 25 distribution [APPROPRIATIONS] to the dividend fund, for transfers [UNDER
 26 AS 37.13.140(b) OR] to the principal under (c) of this section, or for an
 27 appropriation under (g) of this section, and shall be annually deposited into the
 28 Alaska capital income fund (AS 37.05.565).

29 *** Sec. 9.** AS 37.13.145 is amended by adding new subsections to read:

30 (g) The legislature may not appropriate from the earnings reserve account to
 31 the general fund a total amount that exceeds the amount available for appropriation

1 under AS 37.13.140(b) in a fiscal year.

2 (h) The combined total of the transfer under (b) of this section and an
3 appropriation under (g) of this section may not exceed the amount available for
4 appropriation under AS 37.13.140(b)."
5

6 Renumber the following bill sections accordingly.

7

8 Page 3, following line 25:

9 Insert a new bill section to read:

10 **** Sec. 11.** AS 37.13.300(c), as amended by sec. 10 of this Act, is amended to read:

11 (c) Net income from the mental health trust fund may not be included in the
12 computation of net income or market value [THE AMOUNT] available for
13 distribution or appropriation under AS 37.13.140 [AS 37.13.140(b)]."
14

15 Renumber the following bill sections accordingly.

16

17 Page 4, following line 1:

18 Insert a new bill section to read:

19 **** Sec. 13.** AS 37.14.031(c), as amended by sec. 12 of this Act, is amended to read:

20 (c) The net income of the fund shall be determined by the Alaska Permanent
21 Fund Corporation in the same manner the corporation determines the net income
22 of the Alaska permanent fund under AS 37.13.140 [AND SHALL BE
23 COMPUTED ANNUALLY AS OF THE LAST DAY OF THE FISCAL YEAR IN
24 ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES,
25 EXCLUDING ANY UNREALIZED GAINS OR LOSSES]."
26

27 Renumber the following bill sections accordingly.

28

29 Page 4, following line 27:

30 Insert a new bill section to read:

31 **** Sec. 15.** AS 43.23.025(a), as amended by sec. 14 of this Act, is amended to read:

1 (a) By October 1 of each year, the commissioner shall determine the value of
2 each permanent fund dividend for that year by

3 (1) determining the total amount available for dividend payments,
4 which equals

5 (A) the amount of income of the Alaska permanent fund
6 transferred [APPROPRIATED] to the dividend fund under AS 37.13.145(b)
7 during the current year;

8 (B) plus the unexpended and unobligated balances of prior
9 fiscal year appropriations that lapse into the dividend fund under
10 AS 43.23.045(d);

11 (C) less the amount necessary to pay prior year dividends from
12 the dividend fund in the current year under AS 43.23.005(h), 43.23.021, and
13 43.23.055(3) and (7);

14 (D) less the amount necessary to pay dividends from the
15 dividend fund due to eligible applicants who, as determined by the department,
16 filed for a previous year's dividend by the filing deadline but who were not
17 included in a previous year's dividend computation;

18 (E) less appropriations from the dividend fund during the
19 current year, including amounts to pay costs of administering the dividend
20 program and the hold harmless provisions of AS 43.23.240;

21 (2) determining the number of individuals eligible to receive a
22 dividend payment for the current year and the number of estates and successors
23 eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

24 (3) dividing the amount determined under (1) of this subsection by the
25 amount determined under (2) of this subsection."
26

27 Renumber the following bill sections accordingly.

28
29 Page 4, line 29, through page 5, line 15:

30 Delete all material and insert:

31 "** Sec. 17. The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 **CONDITIONAL EFFECT.** Sections 2, 4, 6, 8, 9, 11, 13, and 15 of this Act take effect
3 only if, by November 30, 2023, the voters have not approved a resolution that appears on a
4 statewide election ballot that amends the Constitution of the State of Alaska to

5 (1) specify that the amount that may be appropriated from the Alaska
6 permanent fund is a draw based on the average fiscal-year-end market value of the permanent
7 fund; and

8 (2) require deposit of the unencumbered balance of the earnings reserve
9 account established under AS 37.13.145 into the Alaska permanent fund to become part of the
10 principal of the fund.

11 * **Sec. 18.** If, under sec. 17 of this Act, secs. 2, 4, 6, 8, 9, 11, 13, and 15 of this Act take
12 effect, they take effect July 1, 2023."

13

14 Renumber the following bill sections accordingly.

15

16 Page 5, line 16:

17 Delete "sec. 12"

18 Insert "sec. 18"

#4

AMENDMENT

OFFERED IN THE SENATE
TO: SB 53

BY SENATOR HOLLAND

1 Page 1, line 3:

2 Delete "relating to an advisory vote on the permanent fund;"

3

4 Page 4, line 29, through page 5, line 12:

5 Delete all material.

6

7 Renumber the following bill sections accordingly.

8

9 Page 5, line 15:

10 Delete all material.

11

12 Renumber the following bill section accordingly.

13

14 Page 5, line 16:

15 Delete "Except as provided in sec. 12 of this Act, this"

16 Insert "This"

AMENDMENT

#5

OFFERED IN THE SENATE
TO: SB 53

BY SENATOR HOLLAND

1 Page 1, lines 3 - 4:

2 Delete "providing for an effective date by repealing the effective date of sec. 8, ch.
3 16, SLA 2018;"

4

5 Page 2, line 6:

6 Delete "five"

7 Insert "6.5"

8

9 Page 2, following line 14:

10 Insert a new bill section to read:

11 "* Sec. 2. AS 37.13.140(b), as amended by sec. 1 of this Act, is amended to read:

12 (b) The corporation shall determine the amount available for appropriation
13 each year. The amount available for appropriation is five [6.5] percent of the average
14 market value of the fund for the first five of the preceding six fiscal years, including
15 the fiscal year just ended, computed annually for each fiscal year in accordance with
16 generally accepted accounting principles. In this subsection, "average market value of
17 the 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). The amount available for appropriation may not exceed the balance
21 in the earnings reserve account described in AS 37.13.145."

22

23 Renumber the following bill sections accordingly.

1

2 Page 5, lines 13 - 14:

3 Delete all material.

4

5 Renumber the following bill sections accordingly.

6

7 Page 5, line 15:

8 Delete "Section 9"

9 Insert "Section 10"

10

11 Page 5, following line 15:

12 Insert a new bill section to read:

13 **"* Sec. 12. Section 2 of this Act takes effect July 1, 2023."**

14

15 Renumber the following bill section accordingly.

16

17 Page 5, line 16:

18 Delete "sec. 12"

19 Insert "secs. 11 and 12"