

REPRESENTATIVE BEN CARPENTER

Session:

State Capitol Building,
Room 24
Juneau, AK 99801



Interim:

145 Main St. Loop,
Room 223
Kenai, AK 99611

House of Representatives DISTRICT 8

House Bill 110 - PERM FUND; XFER DIVIDEND PROG TO APFC

Sectional Analysis

Sections 1-21

Conforming language for the transfer of the permanent fund dividend program from the Department of Revenue to the Permanent Fund Corporation.

Section 22

Removes the District Court's jurisdiction over review of the constitutionality of the dividend payment.

Sections 23-28

Conforming language for the transfer of the permanent fund dividend program from the Department of Revenue to the Permanent Fund Corporation.

Section 29

Amends Public Finance statute to eliminate one of two conflicting calculations for the income available for distribution from the permanent fund earnings reserve account. The income available for distribution from the account is five percent of the average market value of the fund (POMV) (permanent fund balance, including the earnings reserve fund) for the first five of the preceding six years.

Section 30

Requires the Permanent Fund Corporation to make the annual permanent fund dividend payment without appropriations. The dividend amount is calculated as 50 percent of the amount available for distribution, or 50 percent of the five percent average POMV from Section 29 but shall never exceed the balance in the earnings reserve fund.

Section 31

Conforms the Amerada Hess language that does not allow income from the settlement to be available for distribution for the dividend or general fund.

Section 32

Allows the legislature to appropriate an amount from the earnings reserve account to the state general fund to spend on government.

Section 33

Limits the combined total transfer from the earnings reserve fund to the dividend fund and to the general fund to the lesser of 5% POMV and the balance of the earnings reserve fund.

Section 34

Conforms the mental health trust language that does not allow the net income from the trust to be available for distribution for the dividend or the general fund.

Section 35-45

Conforming language for the transfer of the permanent fund dividend program from the Department of Revenue to the Permanent Fund Corporation.

Section 46

Provides for a transition for the transfer of administration of the dividend program to the permanent fund corporation and transfers the balance of the dividend fund to the permanent fund on July 1, 2024.

Section 47

Provides for an effective date of July 1, 2024.