

# REPRESENTATIVE BEN CARPENTER

*Session:*

State Capitol Building,  
Room 23  
Juneau, AK 99801



*Interim:*

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

## House of Representatives DISTRICT 8

### House Joint Resolution 7 - CONST AM: PERMANENT FUND DIVIDEND

#### Sponsor Statement

For almost thirty years, Alaskans could count on their annual dividend checks as the state legislature followed the law that directed the dividend to be paid by a statutory formula.

The trust between the government and the people of Alaska was broken in 2016 when Governor Walker vetoed a portion of the annual dividend and the Alaska Supreme Court ultimately determined that dividends were subject to the annual appropriations process. While the legislature could choose to follow the law and appropriate the dividend according to statute and separate it from the budget, they have not done so. Instead, the permanent fund dividend has been subjected to the budget process, where the dividend competes with government spending and often becomes the deficit reduction solution.

HJR7 requires the state to pay the annual Permanent Fund dividend according to a formula in statute, rather than by the whims of the annual appropriations process.

The amendments in HJR7 address the constitutional issues raised by the Supreme Court in its *Wielechowski* opinion that allowed the legislature to appropriate the annual dividend rather than pay it out by formula.

Neglecting to constitutionalize the PFD would permit lawmakers to continue avoiding their obligation to address the shortcomings of Alaska's fiscal and economic planning, placing the Permanent Fund at risk. Constitutionally enshrining the Permanent Fund Dividend will provide for the maximum benefit of all Alaskans and ensure the prosperity of the Permanent Fund for generations of Alaskans to come.