

# REPRESENTATIVE BEN CARPENTER

*Session:*

State Capitol Building,  
Room 24  
Juneau, AK 99801  
Phone: (907) 465-3779



*Interim:*

145 Main St. Loop,  
Room 223  
Kenai, AK 99611  
Phone: (907) 283-7223

## House of Representatives DISTRICT 8

### CS For House Bill 110 (W&M) Summary of Changes Version R to Version H

#### **Title Change**

Delete: relating to the duties of the Department of Revenue; relating to the duties of the Alaska Permanent Fund Corporation.

Add: relating to income of the Alaska permanent fund; relating to the earnings reserve account.

#### **Eliminates Sections**

Eliminates sections 2, 3, 7, 8, 10 – 14, 17 – 24 from Version R.

#### **Section 1**

Legislative Intent Language: It is the legislature's intent to pass a constitutional amendment that requires payment of permanent fund dividends to eligible state residents, and, in statute, establish the annual amount of the PFD and maximum draw from the earnings reserve account.

#### **Section 2**

Amends Department of Administration accounting statute to conform to moving the earnings reserve account from the general fund to the permanent fund corporation.

#### **Section 3**

Changes Sec. 4 in Version R which amends 37.13.140 (permanent fund income) to conform to moving the earnings reserve account to the permanent fund corporation. This new CS keeps the calculation of income for distribution from the fund at five percent of the average market value of the fund for the first five of the preceding six years and eliminates the 21 percent of net income calculation.

#### **Section 4**

Amends the disposition of income from the permanent fund statute to move the earnings reserve account from the general fund to the permanent fund.

#### **Section 5**

Changes Sec.5 of Version R that requires the earnings of the fund to be transferred each year to the general fund. As in Version R, the draw from the earnings reserve account may not exceed the balance in the account.

#### **Section 6**

Changes Sec. 6 from Version R which has conforming language for the Amerada Hess exclusion for the computation of income available for disposition.

#### **Section 7**

Changes Sec. 9 from Version R which has conforming language for the Mental Health Trust exclusion for the computation of income available for disposition.

#### **Section 8**

Adds conforming language for the power cost equalization fund income exclusion for the computation of income available for disposition.

#### **Section 9**

Changes Sec. 15, individual dividend calculation language from Version R, to conform to the calculation and transfer of the dividend payment in this amendment.

#### **Section 10**

Changes Sec. 16 of Version R, public notice of the value of the individual dividend amount, to conform to transfer language.

#### **Section 11**

Requires the department of revenue to transfer 50% of the amount of permanent fund earnings available for distribution each year to the dividend fund for the payment of dividends.

#### **Section 12**

Adds conforming language to the dividend fund section of statute.

#### **Section 13**

Repeals AS 37.13.145(c) (inflation proofing), AS 37.13.145(e) (appropriations from the earning reserve account), and AS 37.13.145(f) (total available for appropriation).

**Section 14**

Adds to uncodified law a conditional effect. This act only takes effect if a constitutional amendment to art. IX, sec. 15, Constitution of the State of Alaska, requiring an annual permanent fund dividend be paid to eligible residents of the state, is passed by the legislature, and approved by the voters at the 2024 general election.

**Section 15**

Provides for an effective date of July 1, 2025.