

SENATE JOINT RESOLUTION NO. 1

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATORS DUNCAN, Lincoln

Introduced: 1/13/97

Referred: HESS, Judiciary, Finance

A RESOLUTION

1 **Proposing an amendment to the Constitution of the State of Alaska relating to**
2 **the education endowment account in the 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. All income
10 from the permanent fund shall be deposited in the general fund unless otherwise
11 provided by law **and except as provided in (b) and (c) of this section.**

12 **(b) The education endowment account is established as a separate account**
13 **in the permanent fund. Money in the account shall be invested in the same**
14 **manner as the principal of the permanent fund, and the income shall be retained**
15 **in the account until it is appropriated. All money in the account may be**
16 **appropriated, but only for elementary and secondary education.**

1 (c) On January 1, 1999, \$350,000,000 shall be transferred from the income
2 of the permanent fund earned under (a) of this section to the education
3 endowment account. On January 1 of each of the years 2000 through 2005, an
4 amount equal to fifteen percent more than the amount transferred during the
5 immediately previous year under this subsection shall be transferred from the
6 income of the permanent fund to the education endowment account. On
7 January 1, 2006, and on January 1 of each year thereafter, an amount equal to
8 three percent more than the amount transferred during the immediately previous
9 year under this subsection shall be transferred from the income of the permanent
10 fund to the education endowment account.

11 * **Sec. 2.** The amendment proposed by this resolution shall be placed before the voters of
12 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
13 State of Alaska, and the election laws of the state.