

SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 14

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES CRAWFORD, Croft

Introduced: 3/22/02

Referred: State Affairs, Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the Alaska**
2 **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 per cent 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 **permanent** [GENERAL] fund
11 [UNLESS OTHERWISE PROVIDED BY LAW].

12 **(b) For any fiscal year, appropriations from the permanent fund shall be**
13 **limited to five percent of the average of the year-end market values of the**
14 **permanent fund for the last five fiscal years, including the fiscal year just ended.**
15 **No other appropriations from the permanent fund may be made.**

16 **(c) At least fifty percent of the amount appropriated under (b) of this**

1 **section during a fiscal year shall be used during that same fiscal year for a**
2 **program of dividend payments to state residents established by law.**

3 * **Sec. 2.** Article XV, Constitution of the State of Alaska, is amended by adding a new
4 section to read:

5 **Section 30. Repeal of Subsection.** Notwithstanding Section 1 of Article XIII,
6 Section 15(c) of Article IX is repealed 180 days after the date of a final, nonappealable
7 judgment or order by a federal court deciding that all or a portion of the permanent
8 fund is subject to federal taxation. In this section, "final, nonappealable judgment or
9 order" means a judgment or an order that cannot be appealed because all possible
10 appeals, including a petition for certiorari to the United States Supreme Court, have
11 been taken or the time for taking an appeal has expired without appeal.

12 * **Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of
13 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
14 State of Alaska, and the election laws of the state.