

AMENDMENT No. 4

OFFERED IN THE SENATE  
TO: CSSJR 3(FIN)

BY SENATORS LINCOLN, DAVIS, ELLIS, ELTON,  
FRENCH, GUESS, HOFFMAN, AND OLSON

1 Page 1, line 1, following "relating to":

2 Insert "the Alaska permanent fund and to"

3

4 Page 1, following line 3:

5 Insert new resolution sections to read:

6 "\* Section 1. Article IX, sec. 15, Constitution of the State of Alaska, is amended to read:

7 Section 15. Alaska Permanent Fund. (a) At least twenty-five per cent of all  
8 mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing  
9 payments and bonuses received by the State shall be placed in a permanent fund, the  
10 principal of which shall be used only for those income-producing investments  
11 specifically designated by law as eligible for permanent fund investments. All income  
12 from the permanent fund shall be deposited in the earnings reserve account and  
13 distributed as provided for under AS 37.13.140, 37.13.145, and AS 43.23.025, as  
14 those statutes read on July 1, 2002 [GENERAL FUND UNLESS OTHERWISE  
15 PROVIDED BY LAW].

16 \* Sec. 2. Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding a  
17 new subsection to read:

18 (b) Notwithstanding other provisions of this constitution,

19 (1) AS 37.13.140, 37.13.145, AS 43.23.025, and any provisions of law  
20 referred to in those sections, remain in effect as they read on July 1, 2002, unless they  
21 are amended or repealed and the amendment or repeal is ratified by affirmative vote of  
22 a majority of the voters of the State voting on the question; and

23 (2) money may be appropriated from the earnings reserve account only  
24 as authorized under AS 37.13.145(b) and (c) as those subsections read on July 1, 2002,

1 unless the appropriation is ratified by affirmative vote of a majority of the voters of the  
2 State voting on the question."  
3

4 Page 1, line 4:

5 Delete "Section 1"

6 Insert "Sec. 3"

7  
8 Renumber the following resolution sections accordingly.  
9

10 Page 3, lines 12 - 13:

11 Delete "a new section"

12 Insert "new sections"  
13

14 Page 3, following line 13:

15 **"Section 30. Suspension and Repeal of amendments.** (a) Notwithstanding  
16 Section 1 of Article XIII, the 2004 amendments to Section 15 of Article IX are  
17 suspended on the date of an initial determination by the Internal Revenue Service that  
18 all or a portion of the permanent fund is subject to federal taxation. The suspension is  
19 terminated on the date the amendments are repealed under (b) of this section or one  
20 hundred eighty days after the date of a final, nonappealable judgment or order by a  
21 federal court deciding that no portion of the permanent fund would be subject to  
22 federal taxation as a result of the amendments. During the period of suspension under  
23 this subsection, Section 15 of Article IX shall apply as it read on January 1, 2003.

24 (b) Notwithstanding Section 1 of Article XIII, the 2004 amendments to  
25 Section 15 of Article IX are repealed one hundred eighty days after the date of a final,  
26 nonappealable judgment or order by a federal court deciding that all or a portion of the  
27 permanent fund is subject to federal taxation. Upon repeal of the 2004 amendments  
28 under this subsection, Section 15 of Article IX is amended to read as it read on  
29 January 1, 2003."  
30

31 Page 3, line 14:

- 1 Delete "Section 30"
- 2 Insert "Section 31"