

CS FOR HOUSE JOINT RESOLUTION NO. 26(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/7/04
Referred: Rules

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to and limiting**
2 **appropriations from the Alaska permanent fund based on an averaged percent of the**
3 **fund market value.**

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

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

6 **Section 15. Alaska Permanent Fund. (a)** At least twenty-five per cent of all
7 mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing
8 payments and bonuses received by the State shall be placed in a permanent fund,
9 **Except as appropriated under (b) of this section, money in the permanent fund** [,
10 THE PRINCIPAL OF WHICH] shall be used only for those income-producing
11 investments specifically designated by law as eligible for permanent fund investments.
12 [ALL INCOME FROM THE PERMANENT FUND SHALL BE DEPOSITED IN
13 THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY LAW.]

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

1 (b) Appropriations from the permanent fund for a fiscal year may not exceed
2 five percent of the average of the market values of the fund on June 30 for the first
3 five of the six fiscal years immediately preceding that fiscal year.

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

6 **Section 30. Transition.** (a) On the effective date of the 2004 amendment
7 relating to the Alaska permanent fund (art. IX, sec. 15), the unencumbered,
8 unappropriated balance of the earnings reserve account established under
9 AS 37.13.145(a) is added to the balance in the Alaska permanent fund.

10 (b) The 2004 amendment relating to the Alaska permanent fund first applies to
11 appropriations for fiscal year 2006. Appropriations from the permanent fund for fiscal
12 year 2005 are subject to Section 15 of Article IX as that section read on June 30, 2004.

13 * **Sec. 4.** The amendments proposed by this resolution shall be placed before the voters of
14 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
15 State of Alaska, and the election laws of the state.