

**SPONSOR SUBSTITUTE FOR SENATE JOINT RESOLUTION NO. 1**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR WIELECHOWSKI

Introduced: 2/6/19

Referred: State Affairs, Judiciary, Finance

**A RESOLUTION**

**Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund and appropriations from the Alaska permanent fund.**

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

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

**Section 15. Alaska Permanent Fund.** (a) At least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, [THE PRINCIPAL OF] which shall be used [ONLY] for [THOSE] income-producing investments specifically designated by law as eligible for permanent fund investments. All income from the permanent fund shall be **retained** [DEPOSITED] in the [GENERAL] fund [UNLESS OTHERWISE PROVIDED BY LAW].

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

(b) At the end of each fiscal year, the following shall be determined in accordance with generally accepted accounting principles:

(1) five percent of the average market value of the fund for the first

1 five of the preceding six fiscal years, including the fiscal year just ended, including  
2 any unrealized gains or losses;

3 (2) twenty-one percent of the net income of the fund for the preceding  
4 five fiscal years, including the fiscal year just ended, excluding any unrealized gains or  
5 losses.

6 (c) Each year, fifty percent of the amount determined under (b)(1) of this  
7 section, or fifty percent of the amount determined under (b)(2) of this section,  
8 whichever is greater, shall be transferred for use in a program of dividend payments to  
9 State residents as provided by law.

10 (d) After the transfer in (c) of this section, the remainder of the amount  
11 calculated under (b)(1) of this section may be appropriated to the general fund for the  
12 costs and expenses of State government.

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

15 **Section 30. Permanent Fund Amendments: Transition.** (a) On June 30,  
16 2021, the unencumbered balance of the earnings reserve account established by law  
17 shall be deposited in the Alaska permanent fund and become part of the principal of  
18 the fund.

19 (b) The 2020 amendments relating to the Alaska permanent fund (art. IX, sec.  
20 15) apply to appropriations made for the fiscal year ending June 30, 2022, and  
21 thereafter.

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