

CS FOR HOUSE BILL NO. 359(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered: 4/9/24

Referred: Finance

Sponsor(s): REPRESENTATIVE CRONK

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the permanent fund dividend and a permanent fund dividend buy-**
2 **out; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 43.23.025(a) is amended to read:

5 (a) By October 1 of each year, the commissioner shall determine the value of
6 each permanent fund dividend for that year by

7 (1) determining the total amount available for dividend payments,
8 which equals

9 (A) the amount of income of the Alaska permanent fund
10 transferred to the dividend fund under AS 37.13.145(b) during the current year;

11 (B) plus the unexpended and unobligated balances of prior
12 fiscal year appropriations that lapse into the dividend fund under
13 AS 43.23.045(d);

14 (C) less the amount necessary to pay prior year dividends from

1 the dividend fund in the current year under AS 43.23.005(h), 43.23.021, and
2 43.23.055(3) and (7);

3 (D) less the amount necessary to pay dividends from the
4 dividend fund due to eligible applicants who, as determined by the department,
5 filed for a previous year's dividend by the filing deadline but who were not
6 included in a previous year's dividend computation;

7 (E) less appropriations from the dividend fund during the
8 current year, including amounts to pay costs of administering the dividend
9 program and the hold harmless provisions of AS 43.23.240;

10 (2) determining the number of individuals eligible to receive a
11 dividend payment for the current year, the number of individuals who received all
12 three permanent fund dividend buy-out payments under AS 43.23.031, and the
13 number of estates and successors eligible to receive a dividend payment for the current
14 year under AS 43.23.005(h); and

15 (3) dividing the amount determined under (1) of this subsection by the
16 amount determined under (2) of this subsection.

17 * **Sec. 2.** AS 43.23 is amended by adding a new section to article 1 to read:

18 **Sec. 43.23.031. Permanent fund dividend buy-out.** (a) An individual who is
19 eligible to receive a permanent fund dividend during calendar year 2026 may opt to
20 receive a permanent fund dividend buy-out under this section. If an individual opts to
21 receive a permanent fund dividend buy-out, the department shall, subject to
22 appropriation by the legislature, pay to the individual

23 (1) \$5,000 in calendar year 2026, in addition to the amount of the
24 permanent fund dividend calculated under AS 43.23.025;

25 (2) \$5,000 in calendar year 2027, in addition to the amount of the
26 permanent fund dividend calculated under AS 43.23.025, if the individual applies for
27 and is eligible for the permanent fund dividend in 2027 and was eligible for a
28 permanent fund dividend in 2026;

29 (3) \$5,000 in calendar year 2028, in addition to the amount of the
30 permanent fund dividend calculated under AS 43.23.025, if the individual applies for
31 and is eligible for the permanent fund dividend in 2028 and applied for and was

1 eligible for a permanent fund dividend in 2026 and in 2027.

2 (b) Notwithstanding AS 43.23.005, for a calendar year after 2028, an
3 individual who receives all three permanent fund dividend buy-out payments shall
4 receive a permanent fund dividend payment equal to \$0.

5 (c) This section does not prohibit an individual from applying for a permanent
6 fund dividend, or the department from determining the eligibility of the individual, for
7 the purpose of qualifying for another state program or benefit, or determining the
8 individual's residency.

9 (d) Each year, the commissioner shall transfer from the dividend fund to the
10 general fund an amount equal to the amount that would have been paid to individuals
11 who received all three permanent fund dividend buy-out payments.

12 (e) The department shall adopt regulations to implement this section.

13 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 2026 DIVIDEND APPLICATION. The Department of Revenue shall prepare the
16 application for a permanent fund dividend filed during the application period that begins
17 January 1, 2026, to allow an eligible individual to opt to receive the permanent fund dividend
18 buy-out under AS 43.23.031.

19 * **Sec. 4.** This Act takes effect January 1, 2026.