

CS FOR HOUSE JOINT RESOLUTION NO. 7(W&M)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Offered: 5/12/23

Referred: Judiciary

Sponsor(s): HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the**
2 **permanent fund, relating to transfers out of the permanent fund, and requiring payment**
3 **of a dividend to eligible state residents.**

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

5 * **Section 1.** Article IX, sec. 7, Constitution of the State of Alaska, is amended to read:

6 **Section 7. Dedicated Funds.** The proceeds of any state tax or license shall not
7 be dedicated to any special purpose, except as provided in section **15(a)** [15] of this
8 article, **related to transfers out of the permanent fund and dedication of certain**
9 **mineral revenue, and section 15(b) of this article, related to the payment of**
10 **dividends,** or when required by the federal government for state participation in
11 federal programs. This provision shall not prohibit the continuance of any dedication
12 for special purposes existing **on** [UPON] the date of ratification of this section by the
13 people of Alaska.

14 * **Sec. 2.** Article IX, sec. 13, Constitution of the State of Alaska, is amended to read:

15 **Section 13. Expenditures. Except as provided in section 15(b) of this**

1 **article, for transfers out of the permanent fund and the payment of dividends, no**
 2 [NO] money shall be withdrawn from the treasury except in accordance with
 3 appropriations made by law. No obligation for the payment of money shall be incurred
 4 except as authorized by law. Unobligated appropriations outstanding at the end of the
 5 period of time specified by law shall be void.

6 * **Sec. 3.** 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 percent 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 **an earnings reserve account in the**
 13 **fund** [THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY LAW].

14 * **Sec. 4.** Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding a
 15 new subsection to read:

16 (b) Each fiscal year, without appropriation, an amount determined by a
 17 formula set out in law shall be transferred from the earnings reserve account in the
 18 permanent fund to the general fund. The amount transferred from the earnings reserve
 19 account shall not exceed the balance of the earnings reserve account. Each fiscal year,
 20 without appropriation, the State shall, according to a formula set out in law, pay a
 21 dividend to eligible residents of the State from the amount deposited into the general
 22 fund under this subsection.

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

25 **Section 30. Dividend Amendment: Transition.** (a) The 2024 amendment
 26 relating to a dividend for state residents (art. IX, sec. 15) applies to payments and
 27 transfers made for the fiscal year ending June 30, 2026, and thereafter.

28 (b) On June 30, 2025, the unencumbered balance of the earnings reserve
 29 account established by law shall be deposited in the earnings reserve account
 30 established in the Alaska permanent fund.

31 * **Sec. 6.** The amendments proposed by this resolution shall be placed before the voters of

- 1 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
- 2 State of Alaska, and the election laws of the state.