

SENATE JOINT RESOLUTION NO. 5

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS KAUFMAN, Yundt, Hughes, Myers, Cronk, Shower

Introduced: 1/22/25

Referred: Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the Alaska**
2 **permanent fund, appropriations from the permanent fund, and the permanent fund**
3 **dividend.**

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 percent 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 [THE PRINCIPAL OF] which shall be used [ONLY] for [THOSE] income-producing
10 investments specifically designated by law as eligible for permanent fund investments.
11 **Appropriations may only be made from the permanent fund as provided in (b) of**
12 **this section** [ALL INCOME FROM THE PERMANENT FUND SHALL BE
13 DEPOSITED IN THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY
14 LAW].

15 * **Sec. 2.** Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding new

1 subsections to read:

2 (b) Each fiscal year, the legislature shall appropriate from the permanent fund
3 to the general fund an amount as provided by law setting forth a percentage of the
4 average market value of the permanent fund at the fiscal year end for the first five of
5 the preceding six fiscal years, including the fiscal year just ended. The percentage of
6 the average fiscal-year-end market value of the permanent fund drawn from the
7 permanent fund under this subsection shall not exceed five and one-half percent.

8 (c) Each fiscal year, the legislature shall appropriate a portion of the amount
9 appropriated under (b) of this section for dividend payments to eligible residents of the
10 State as provided by law. A law that changes the amount appropriated for dividend
11 payments must be approved by the voters of the State under (d) of this section.
12 Notwithstanding Section 15 of Article II, the governor may not veto or reduce an
13 appropriation made under this subsection.

14 (d) Notwithstanding Section 18 of Article II, a law that would amend the
15 amount appropriated for dividend payments to residents of the State under (c) of this
16 section shall not take effect unless approved by the voters of the State in the next
17 statewide election held more than one hundred twenty days after enactment of the law.
18 The lieutenant governor shall prepare a ballot title and proposition summarizing the
19 law and shall place it on the ballot. If a majority of the votes cast on the proposition
20 favors its adoption, it shall become effective on the later of ninety days after the
21 certification of the election returns by the lieutenant governor or an effective date
22 provided for by concurrence of two-thirds of the membership of each house of the
23 legislature. If less than a majority of votes cast on the proposition favor its rejection,
24 the law is rejected and does not take effect.

25 (e) Each fiscal year, the legislature shall appropriate a portion of the amount
26 appropriated under (b) of this section to the budget reserve fund under Section 17 of
27 this article.

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

30 **Section 30. Permanent Fund Amendments: Transition.** (a) On June 30,
31 2027, the balance of the earnings reserve account established by law shall be deposited

1 in the Alaska permanent fund.

2 (b) For purposes of the 2026 amendments to Section 15 of Article IX, the law
3 governing the percentage of the average market value of the permanent fund under
4 Section 15(b) of Article IX is a law setting forth the percentage average market value
5 of the permanent fund at the fiscal year end that may be appropriated to the general
6 fund at the time of adoption of the 2026 amendments to Section 15(b) of Article IX
7 and that is not a law that is enacted as an appropriation bill.

8 (c) For purposes of the 2026 amendments to Section 15 of Article IX, the law
9 governing the amount allocated for dividend payments to residents of the State under
10 Section 15(c) of Article IX is the law setting forth the allocation for dividend
11 payments at the time of adoption of the 2026 amendments to Section 15(c) of Article
12 IX and that is not a law that is enacted as an appropriation bill, subject to the
13 enactment of a law amending the law regarding dividend payments in accordance with
14 the requirements of Section 15(e) of Article IX.

15 (d) The 2026 amendments relating to the Alaska permanent fund (art. IX, sec.
16 15) apply to appropriations made for the fiscal year ending June 30, 2028, and
17 thereafter.

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