

Introduced: 1/16/86
Referred: Finance

BY HALFORD, KERTTULA, FAIKS,
STURGULEWSKI, V. FISCHER,
ELIASON AND BENNETT

1 IN THE SENATE

2 SENATE BILL NO. 346

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the income of the Alaska perma-
7 nent fund; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 37.13.140 is amended to read:

10 Sec. 37.13.140. INCOME. Net income of the corporation shall
11 [MUST] be computed annually as of the last day of the fiscal year in
12 accordance with generally accepted accounting principles, excluding
13 any unrealized gains or losses. Income available for distribution
14 equals the [AVERAGE] net income of the corporation for the [LAST FIVE
15 FISCAL YEARS, INCLUDING THE] fiscal year just ended [, BUT MAY NOT
16 EXCEED NET INCOME OF THE CORPORATION FOR THE FISCAL YEAR JUST ENDED
17 PLUS THE BALANCE IN THE UNDISTRIBUTED INCOME ACCOUNT DESCRIBED IN
18 AS 37.13.145].

19 * Sec. 2. AS 37.13.145 is amended to read:

20 Sec. 37.13.145. DISPOSITION OF INCOME. At the end of each
21 fiscal year, in order [AN AMOUNT SUFFICIENT] to help offset the effect
22 of inflation on principal of the Alaska permanent fund during that
23 year, 50 percent of the income available for distribution under
24 AS 37.13.140 [AS MEASURED BY A NATIONALLY RECOGNIZED INDEX,] shall be
25 transferred [FROM NET INCOME AS DEFINED IN AS 37.13.140, EXCLUDING
26 INCOME ON THE UNDISTRIBUTED INCOME ACCOUNT IN THE ALASKA PERMANENT
27 FUND,] to the principal of the Alaska permanent fund for reinvestment.
28 The balance of the [NET] income available for distribution under [AS
29 DEFINED IN] AS 37.13.140 shall be transferred to the dividend fund

1 established under AS 43.23.045 [UNDISTRIBUTED INCOME ACCOUNT IN THE
2 ALASKA PERMANENT FUND. MONEY IN THE UNDISTRIBUTED INCOME ACCOUNT
3 SHALL BE INVESTED IN INVESTMENTS AUTHORIZED UNDER AS 37.13.120.
4 INCOME FROM THE INVESTMENT OF THE UNDISTRIBUTED INCOME ACCOUNT SHALL
5 BE TREATED AS AN ADDITION TO THAT ACCOUNT].

6 * Sec. 3. This Act takes effect on the effective date of an Act appro-
7 priating the unexpended and unobligated balance of the undistributed income
8 account in the Alaska permanent fund to the principal of the Alaska perma-
9 nent fund.