

1 IN THE HOUSE

BY ULMER

2

HOUSE JOINT RESOLUTION NO. 54

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

Proposing amendments to the Constitution

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of the State of Alaska relating to the

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use of income of the permanent fund and

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establishing an education forward fund.

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

10 * Section 1. Article IX, Constitution of the State of Alaska, is amend-
11 ed by adding a new section to read:

12 SECTION 17. EDUCATION FORWARD FUND. An education forward fund
13 is established and money may be appropriated to the fund. Money in
14 the fund may be appropriated only for costs of providing public prima-
15 ry and secondary education.

16 * Sec. 2. Article XV, Constitution of the State of Alaska, is amended
17 by adding new sections to read:

18 SECTION 29. DEDICATED FUNDS. (a) The operation of Section 7 of
19 Article IX is suspended from July 1, 1989, through June 30, 1992, and
20 this section applies in lieu of Section 7 of Article IX.

21 (b) The proceeds of any state tax or license shall not be dedi-
22 cated to any special purpose, except as provided in Section 30 of this
23 article or when required by the federal government for state partici-
24 pation in federal programs. This provision shall not prohibit the
25 continuance of any dedication for special purposes existing on
26 April 24, 1956.

27 SECTION 30. ALASKA PERMANENT FUND. (a) The operation of Sec-
28 tion 15 of Article IX is suspended from July 1, 1989, through June 30,
29 1992, and this section applies in lieu of Section 15 of Article IX.

1 (b) At least twenty-five percent of all mineral lease rentals,
2 royalties, royalty sale proceeds, federal mineral revenue sharing
3 payments and bonuses received by the State shall be placed in a perma-
4 nent fund, the principal of which shall be used only for those income-
5 producing investments specifically designated by law as eligible for
6 permanent fund investments.

7 (c) At the end of each fiscal year the income of the permanent
8 fund shall be distributed as follows:

9 (1) forty percent to be used for dividends for State resi-
10 dents as provided by law;

11 (2) thirty percent to be added to the principal of the
12 permanent fund to help offset the effect of inflation and increase the
13 principal; and

14 (3) thirty percent to the education forward fund estab-
15 lished under Section 17 of Article IX.

16 SECTION 31. REPEAL. Sections 29 - 30 of Article XV are repealed
17 July 1, 1992.

18 * Sec. 3. The amendments proposed by this resolution shall be placed
19 before the voters of the state at the next general election in conformity
20 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
21 tion laws of the state.