

# COMMITTEE REPORT

## SENATE

SENATE

5/21/76

Date

5/21/76

Mr. President:

The Committee on Finance has had CS 95 HJR 99 am  
amending Alaska Constitution, establishing Alaska Permanent Fund  
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends: \_\_\_\_\_  
\_\_\_\_\_ recommends: \_\_\_\_\_  
\_\_\_\_\_ recommends: \_\_\_\_\_

\_\_\_\_\_  
Chairman

THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. CSSS HJR No. 39 am  
 Title: Permanent Fund Resolution  
 Requested by: Senate Resources Date: March 30, 1976  
 Return Date Requested: \_\_\_\_\_  
 Agency: Department of Revenue Program: State Investment Advisory Committee

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		75.0				
200 TRAVEL		10.0				
300 CONTRACTUAL		100.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	185.0	-0-	-0-	-0-	-0-

The sum of \$185.0 is to be effective on the day after passage of this resolution.

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	185.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	2/ 1	/	/	/	/
MAN MONTHS (P./T.)	/	12/ 6	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See Attached

IV. ATTACHMENTS

Fiscal Note Comments; Department of Revenue Permanent and General Fund Projections; Prior Fiscal Notes

V. DATE: 2 April 76 PREPARED BY: [Signature]

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

### III. FISCAL NOTE ANALYSIS

This Fiscal Note displays the personal services and contractual research expenses to prepare bills for introduction to the next legislature that would implement the permanent fund. It incorporates the improvements contained in prior fiscal notes. It does not describe the longer term revenue impact of a permanent fund.

Personal services are for the two full-time research assistants and one part-time secretary to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund.

The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund. Areas for research are described in an attached memorandum.

ANALYSIS OF PERMANENT FUND - AT 25% CONTRIBUTION RATE  
(in millions of current dollars)

FISCAL YEAR	TOTAL UNRESTRICTED GENERAL FUND REVENUE BEFORE 1) CONTRIBUTION	TOTAL REVENUE SUBJECT TO PERMANENT FUND 2) CONTRIBUTION	25% CONTRIBUTION TO PERMANENT FUND PER YEAR	PERMANENT FUND BALANCE	TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION	TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC	GENERAL FUND SURPLUS (DEFICIT)	GENERAL FUND BALANCE
FY75	333.4	---	---	---	333.4	490.0	(156.6)	379.3
FY76	650.0	41.6	10.4	10.4	639.6	626.4	13.2	392.5
FY77	729.3	38.8	9.7	20.1	719.6	705.9	13.7	406.2
FY78	986.6	448.2	112.1	132.2	874.5	871.6	2.9	409.1
FY79	1179.1	568.2	142.1	274.3	1037.0	990.8	46.2	455.3
FY80	1487.6	780.0	195.0	469.3	1292.6	1124.6	168.0	623.3
FY81	1880.8	881.4	220.4	689.7	1660.4	1240.9	419.5	1042.8
FY82	2121.7	1001.0	250.3	940.0	1871.4	1259.8	611.6	1654.4
FY83	2414.0	1172.0	293.0	1233.0	2121.0	1300.0	821.0	2475.4
FY84	2661.7	1269.5	317.4	1550.4	2344.3	1400.0	944.3	3419.7
FY85	2829.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4415.9

ASSUMPTIONS:

- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY76. Permanent Fund earns 6% on previous years balance which is deposited in General Fund.  
General Fund also earns 6% on previous years balance.
- 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.



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ANALYSIS OF PERMANENT FUND - AT 25% CONTRIBUTION RATE  
(in millions of current dollars)

FISCAL YEAR	UNRESTRICTED GENERAL FUND REVENUE LESS (EXCEPT 1) CONTRIBUTION	TOTAL REVENUE SUBJECT TO PERMANENT FUND (2) CONTRIBUTION	25% CONTRIBUTION TO PERMANENT FUND PER YEAR	PERMANENT FUND BALANCE	TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION	TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC	GENERAL FUND SURPLUS (DEFICIT)	GENERAL FUND BALANCE
1975	412.4	---	---	---	533.4	480.0	(135.0)	375.0
1976	510.0	41.6	10.4	10.4	639.6	625.4	13.2	390.0
1977	729.3	38.2	9.7	20.1	719.6	705.9	13.7	407.2
1978	880.6	448.2	112.1	132.2	874.5	871.0	2.9	409.1
1979	1179.1	598.2	142.1	274.3	1037.0	990.8	45.2	455.3
1980	1457.6	740.0	195.0	469.3	1232.6	1124.2	108.0	513.3
1981	1710.3	841.4	220.4	689.7	1480.4	1240.3	419.5	1042.8
1982	2121.7	1001.0	250.3	940.0	1871.4	1258.6	611.6	1654.4
1983	2414.0	1172.0	293.0	1233.0	2121.0	1300.0	821.0	2475.4
1984	2881.7	1389.5	317.4	1550.4	2344.3	1400.0	944.3	3419.7
1985	2929.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4415.9

ASSUMPTIONS:

- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY78. Permanent Fund earns 6% on previous years balance which is deposited in General Fund. General Fund also earns 6% on previous years balance.
- 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.



### III. FISCAL NOTE ANALYSIS

This Fiscal Note displays the personal services and contractual research expenses to prepare bills for introduction to the next legislature that would implement the permanent fund. It incorporates the improvements contained in prior fiscal notes. It does not describe the longer term revenue impact of a permanent fund.

Personal services are for the two full-time research assistants and one part-time secretary to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund.

The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund. Areas for research are described in an attached memorandum.

ANALYSIS OF PERMANENT FUND - AT 2% CONTRIBUTION RATE  
(in millions of current dollars)

FISCAL YEAR	UNRESTRICTED GENERAL FUND REVENUE BEFORE CONTRIBUTION	TOTAL REVENUE SUBJECT TO PERMANENT FUND (2% CONTRIBUTION)	2% CONTRIBUTION TO PERMANENT FUND PER YEAR	PERMANENT FUND BALANCE	TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION	TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC	GENERAL FUND SURPLUS (DEFICIT)	GENERAL FUND BALANCE
FY75	343.1	---	---	---	333.4	480.0	(156.6)	376.8
FY76	650.0	41.5	10.4	10.4	639.6	626.4	13.2	390.0
FY77	733.3	33.3	7.7	20.1	719.6	705.9	13.7	403.7
FY78	946.6	446.2	112.1	132.2	874.5	871.6	2.9	406.6
FY79	1173.1	569.2	142.1	274.3	1037.0	930.3	46.2	452.8
FY 80	1437.3	718.0	195.0	469.3	1292.6	1114.6	158.0	610.8
FY81	1680.6	881.4	220.4	689.7	1660.4	1240.3	419.5	1030.3
FY82	2121.7	1001.0	250.3	940.0	1871.4	1259.6	611.6	1641.9
FY83	2424.0	1172.0	293.0	1233.0	2121.0	1300.0	821.0	2472.9
FY84	2661.7	1289.5	317.4	1550.4	2344.3	1400.0	944.3	3417.2
FY85	2823.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4413.4

ASSUMPTIONS:

- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY76. Permanent Fund earns 6% on previous years balance which is deposited in General Fund. General Fund also earns 6% on previous years balance.
- 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.

JAN 15 1976

SS NR 39

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a sponsor substitute for House Joint Resolution 39, proposing an amendment to the Constitution of the State of Alaska establishing a permanent fund for mineral leasing revenues.

The resolution proposes a constitutional amendment establishing a constitutional permanent fund into which 10 percent of all mineral lease rentals, royalties, royalty sale proceeds, revenue sharing payments, bonuses, and mineral production taxes would automatically be dedicated. The resolution also provides that the legislature may appropriate additional amounts to the permanent fund.

With respect to mineral leasing, the dedication of revenues would be 10 percent of the amount of money initially received by the State. For example, 10 percent of the amount equivalent to the rentals, royalties, and bonuses which must be paid into the Alaska Native Fund would be dedicated to the permanent fund even though it must be paid into the Alaska Native Fund. Also an amount equivalent to the value of royalties taken in kind would not be dedicated, but 10 percent of the proceeds from the sale of royalty taken in kind would be dedicated to the fund. Also, revenue sharing payments which the State receives from federal mineral leasing would be dedicated.

With respect to taxes, 10 percent of all mineral production taxes would be dedicated to the permanent fund. This would include the State's oil and gas properties production tax under AS 43.55 (severance tax), the State's mining license tax under AS 43.65, and the State's oil and gas regulation and conservation tax under AS 43.57 (conservation tax). These taxes would be dedicated to the fund regardless of how they are amended or changed in the future. The fund would not include the oil and gas exploration, production and pipeline transportation property tax under AS 43.56 (20 mil property tax) or the oil and gas reserves ad valorem tax under AS 43.58 (reserve tax).

The amount to be dedicated would be based upon the gross amount of tax to be received by the State. For example, 10 percent of an amount equivalent to the tax revenue required to be paid into the Alaska Native Fund would be dedicated even though it must be paid into the fund. Also 10 percent of the amount of production taxes not received in cash by the State because of the application of reserve tax credit would be dedicated to the fund.

The principal of the fund would be used only for investment in income-producing investments which the legislature would establish and change to meet current investment needs of the State. The fund could not be used to fund the general operating expenditures or capital improvements of the State. The principal of the fund could not finance capital expenditures either directly or be purchasing State obligations, but the fund could purchase obligations of separate State authorities. The income of the fund would be deposited into the general fund without any permanent fund restrictions.

I have introduced this resolution proposing a constitutional amendment because I believe strongly that the revenues from our non-renewable resources belong to future generations of Alaskans as well as ourselves. A permanent fund as I have proposed will set aside a modest portion of the proceeds from the exploitation of our non-renewable resources for investment in our future while leaving sufficient revenues for our present needs. I urge your immediate and favorable consideration of this proposed constitutional amendment so that it may be placed before the voters at the next general election.

Sincerely,

Jay S. Hammond  
Governor


## MEMORANDUM

TO:

Sterling Gallagher  
Commissioner  
Department of Revenue

DATE : January 12, 1976

FROM:

  
Lawrence C. Eppenbach  
Deputy Commissioner, Treasury  
Department of RevenueSUBJECT: Fiscal Note Comments -  
Permanent Fund Concept

The proposed Constitutional initiative would establish a permanent fund composed of 10 percent of all mineral lease revenue and production taxes received by the State. The amendment calls for the fund to be invested in income yielding projects and investments, with the income transferred to the general fund.

The amendment language is broad in nature and a comprehensive piece of enabling legislation will be required to make the concept work. Many topics will have to be addressed by this enabling legislation such as the investment objectives, the creation of development financing institutions, new loan programs, and even the organizational framework. To study these questions and to have draft legislation ready for introduction at the beginning of the 1977 session will require research to commence right away. In addition, since the success of this fund will hinge on the quality of management personnel work must also proceed in identifying and recruiting qualified managers.

This fiscal note assumes that the present State Investment Advisory Committee will research and draft this legislation and that it will be completed by January 15, 1977. This Committee is presently responsible for advising the Commissioner of Revenue with respect to investments and its membership (legislative, executive, and public) is broadly representative of Alaskan interests.

The State Investment Advisory Committee does not have a permanent staff; this fiscal note would provide funds for securing the necessary research capability. In addition, new members may be appointed to the Committee to enhance its ability to undertake this responsibility. Even though the approach taken ultimately will be up to the Committee, the following outline might represent a typical plan. It divides the work into four phases:

1. Preliminary/Conceptual Research: Typical assignments would include a study of the experience of similar funds in other states; a thorough cataloging of Alaska's renewable and non-renewable resources; an examination of the need for credit expansion in Alaska; the evaluation of present loan programs; the identification of alternative administrative frameworks for the fund; and background data gathering on the State's financial position.

2. Economic Research: Work in this area might consist of the classification of present and potential revenue sources into recurring and non-recurring components; the identification of possible recurring revenue increments related to development activity, and the identification of environmental costs associated with that activity. This should provide a ranking of potential economic projects with respect to long term net economic benefit to Alaskans. Careful coordination with the development plans of Native Regional and Village Corporations, State authorities, municipal, and private sector corporations will be required.

3. Financial Research: Here the detail work begins in identifying alternative investments that may qualify for permanent fund participation. Each project would have to be ranked according to its ability to stimulate net recurring revenue benefits to the entire State. Measurements of the impact of fund operation on State budget expenditures would also have to be made.

4. Legal Research: Reviews of legal investments, the legal status of investing in quasi-public institutions, and the actual writing of proposed legislation would logically fall into this category.

LCE:ge  
Enclosure



THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

~~XXXXXX~~ Joint Resolution - Permanent Fund

Title: \_\_\_\_\_  
 Requested by: Governor Date: January 12, 1976  
 Return Date Requested: \_\_\_\_\_  
 Agency: Revenue Program: State Investment Advisory  
Committee

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		150,000				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		150,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		150,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This fiscal note displays the reasonable minimum in research expenses to draft bills for introduction in the 1977 legislative session to implement the permanent fund. It does not describe the longer term revenue impact of such a fund.

IV. ATTACHMENTS

*Lawrence C. Eppenbach*

V. DATE: January 12, 1976 PREPARED BY: Lawrence C. Eppenbach

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

JAN 15 1976

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Enclosure



THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE  
Second Session - Ninth Legislature

I. REQUEST

~~XXXXXXXX~~ Joint Resolution - Permanent Fund

Title: \_\_\_\_\_  
Requested by: Governor Date: January 12, 1976  
Return Date Requested: \_\_\_\_\_  
Agency: Revenue Program: State Investment Advisory  
Committee

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

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200 TRAVEL						
300 CONTRACTUAL		150,000				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		150,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		150,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

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IV. ATTACHMENTS

*Lawrence C. Eppenbach*

V. DATE: January 12, 1976 PREPARED BY: Lawrence C. Eppenbach

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/21/76  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39(Res)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments and bonuses received by the state shall  
24 be placed in a permanent fund, the principal of which shall be used only  
25 for those income producing investments specifically designated by law as  
26 eligible for permanent fund investments. The legislature may appropriate  
27 additional amounts to the permanent fund which shall become a part of  
28 the principal of the fund. All income from the permanent fund shall be  
29 deposited in the general fund unless otherwise provided by law.

1 \* Sec. 3. The amendments proposed by this resolution shall be placed  
2 before the voters at the next general election in conformity with art. XIII,  
3 sec. 1, Constitution of the State of Alaska, and the election laws of the  
4 state.

5 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
6 voters at the next general election shall become effective 90 days after the  
7 certification of the election returns by the lieutenant governor.

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1           ture, but revocation may not make the principal amount in the permanent  
2           fund subject to appropriation. Other income from the permanent fund  
3           shall be deposited in the general fund.

4           \* Sec. 3. The amendments proposed by this resolution shall be placed  
5           before the voters at the next general election in conformity with art. XIII,  
6           sec. 1, Constitution of the State of Alaska, and the election laws of the  
7           state.

8           \* Sec. 4. The amendments proposed by this resolution if adopted by the  
9           voters at the next general election shall become effective 90 days after the  
10          certification of the election returns by the lieutenant governor.



1           ture, but revocation may not make the principal amount in the permanent  
2           fund subject to appropriation. Other income from the permanent fund  
3           shall be deposited in the general fund.

4           \* Sec. 3. The amendments proposed by this resolution shall be placed  
5           before the voters at the next general election in conformity with art. XIII,  
6           sec. 1, Constitution of the State of Alaska, and the election laws of the  
7           state.

8           \* Sec. 4. The amendments proposed by this resolution if adopted by the  
9           voters at the next general election shall become effective 90 days after the  
10          certification of the election returns by the lieutenant governor.  
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Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments, bonuses, and all mineral production  
24 taxes received by the state shall be placed in a permanent fund, the  
25 principal of which shall be used only for those income producing invest-  
26 ments specifically designated by law as eligible for permanent fund  
27 investments. The legislature may appropriate additional amounts to the  
28 permanent fund which shall become a part of the principal of the fund.  
29 All income from the permanent fund shall be deposited in the general

1 fund unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

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12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
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14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

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20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments, bonuses, and all mineral production  
24 taxes received by the state shall be placed in a permanent fund, the  
25 principal of which shall be used only for those income producing invest-  
26 ments specifically designated by law as eligible for permanent fund  
27 investments. The legislature may appropriate additional amounts to the  
28 permanent fund which shall become a part of the principal of the fund.  
29 All income from the permanent fund shall be deposited in the general

1 fund unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or [WHEN REQUIRED] by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. Twenty-five per cent of all  
22 mineral lease rentals, royalties, royalty sale proceeds, federal mineral,  
23 revenue sharing payments, bonuses, and all mineral production taxes  
24 received by the state shall be placed in a permanent fund, the principal  
25 of which shall be used only for those income producing investments  
26 specifically designated by law as eligible for permanent fund invest-  
27 ments. The legislature may appropriate additional amounts to the perma-  
28 nent fund which shall become a part of the principal of the fund. All  
29 income from the permanent fund shall be deposited in the general fund

1 unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.  
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Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or [WHEN REQUIRED] by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. Twenty-five per cent of all  
22 mineral lease rentals, royalties, royalty sale proceeds, federal mineral,  
23 revenue sharing payments, bonuses, and all mineral production taxes  
24 received by the state shall be placed in a permanent fund, the principal  
25 of which shall be used only for those income producing investments  
26 specifically designated by law as eligible for permanent fund invest-  
27 ments. The legislature may appropriate additional amounts to the perma-  
28 nent fund which shall become a part of the principal of the fund. All  
29 income from the permanent fund shall be deposited in the general fund

1 unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.  
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Introduced: 6/6/75  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE JOINT RESOLUTION NO. 39

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Proposing an amendment to the Constitution  
6 of the State of Alaska to authorize an  
7 additional exception for a dedication of  
8 revenues.

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

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

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except when required  
14 by the federal government for state participation in federal programs. This  
15 provision shall not prohibit the continuance of any dedication for special  
16 purposes existing upon the date of ratification of this constitution by the  
17 people of Alaska or the dedication of the proceeds of mineral lease bonuses.

18 \* Sec. 2. The amendment 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 election  
21 laws of the state.

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