

SJR

24



Alaska State Legislature

Please enter into the record my testimony to the SJUD
committee name

committee on SJR-24-18-32-19, dated 2-27-04
bill/subject

2 - PAGES

Signed: Roger K. Gray
Testifier SELF
Representing (Optional) _____
Mailing Address Box 521215 Big Lake AK. 99652
Phone Number 907-892-8901

I'm tired of hearing about inflation proofing from you guys. You cannot inflation proof anything by throwing more money into the fund. The only way to get the real value of/from a fluctuating and intrinsically worthless currency is to spend it now at today's value, because tomorrow your money is going to be worth less. If inflation eats the value of the Perm. Fund down to zero, let that be a lesson to a people who refuse to controll their own currency. If anything, you should inflation proof the perm. Fund dividend instead of the perm. Fund. And if it doesn't make sense to inflation proof the dividend, let's stop hearing about the oxy-moron of inflation proofing. Are you really prepared for hyper-inflation? Do you remember the inflation during the Carter years? Double digit inflation is going to be a bigger shock than a stock-market crash and you can bet it's coming.

Robert May 2/27/04



SENATOR SCOTT OGAN Alaska State Legislature

Senate District H Lazy Mountain * Butte * Chugiak * Peters Creek * Fairview Loop

Knik-Goose Bay * Big Lake * Houston * Willow * Talkeetna * Trapper Creek

State Capitol, Room 103, Juneau Alaska 99801 * (907) 465-3878 * (800) 862-3878 * Fax (907) 465-3265

Senator_Scott_Ogan@legis.state.ak.us

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February 11, 2004

The Honorable Ralph Seekins, Chair
Senate Judiciary Committee
Alaska State Legislature
State Capitol, Room 125
Juneau AK 99801

RE: SJR 24 - Dividend Protection Plan

Dear Senator Seekins:

Senate Joint Resolution No. 24 was introduced February 4, 2004, and referred to your committee. I am writing to request that the resolution be scheduled for a hearing at your earliest convenience.

Included with this letter of request are the resolution and sponsor statement. Other letters of support may be forthcoming.

If you have any questions about the bill or require further information, please feel free to call me at any time. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Ogan".

Senator Scott Ogan

Enclosures

Senate District H • Lazy Mountain • Butte • Chugiak • Peters Creek • Fairview Loop
Knik-Goose Bay • Big Lake • Houston • Willow • Talkeetna • Trapper Creek

23-LS1543/H

Senate Joint Resolution No. 24*Dividend Protection Plan***Sponsor Statement**

SJR 24 was introduced to make sure the Permanent Fund Dividend enjoys constitutional protection. Currently, the dividend exists at the sole pleasure and protection of a simple majority of the legislature.

The Constitution protects the principle of the Permanent Fund. However, each year, dividends, inflation-proofing and unspent earnings are at the whim of each legislature. Many Alaskans think that a vote of the people is required before changes can be made to the dividend program. This will only be true when the dividend is protected by the Constitution.

Until Alaskans feel confident that the Permanent Fund and the dividend is safe from legislative control, we will not be able to start discussion about what to do with any excess earnings. This resolution offers the security that voters want.

Royalties from the subsurface mineral estate endow the Permanent Fund. Alaska subsurface mineral rights are, in general, collectively owned by the state instead of by the individual landowners. By constitutionally protecting the dividend, we recognize compensation for the mineral estate most Alaskans do not receive if they own the land.

In summary, passage of SJR 24 gives Alaskans an opportunity to make their Permanent Fund Dividend a Constitutional mandate instead of a legislative option.

Contact Karen Sawyer, Legislative Aide Senator
Scott Ogan
907-465-3878

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SJR 24
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
Title Constitutional amendment relating to RDU Elections
the Alaska Permanent Fund. Component Elections
Sponsor Senators Ogan, Wagoner, Green
Requester Senate Judiciary Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Leonard G. Jones
Division: Division of Elections
Approved by: Laura A. Glaiser, Director
Agency: Office of the Lt. Governor, Division of Elections

Phone 465-3051
Date/Time 2/20/04 12:56 PM
Date 2/20/2004

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SJR 24
 () Publish Date: _____

Revision Date/Time (Note if correction):
 Title Const Am: Guarantee
Perm Fund Dividend

Dept. Affected: Revenue
 RDU AK Permanent Fund Corporation
 Component AK Permanent Fund Corporation

Sponsor Sen. Ogan
 Requester Senate Judiciary Committee

Component No. 109

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SJR 24 proposes two amendments to the Alaska Constitution. One would move provisions regarding the Earnings Reserve Account from statute to the Constitution, and the other would memorialize the existing dividend calculation in the Constitution. These changes will not affect the operations of the Alaska Permanent Fund Corporation.

Prepared by: Robert D. Storer, Executive Director
 Division: Alaska Permanent Fund Corporation
 Approved by: Steve Portier, Deputy Commissioner
 Agency: Department of Revenue

Phone 465-2047
 Date/Time 2/23/04 5:36 PM
 Date 2/6/2004