

CS FOR SENATE JOINT RESOLUTION NO. 6(JUD)
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 5/14/21
Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

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, the permanent fund**
3 **dividend, and power cost equalization.**

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 **Except as provided in (b) - (f) of this section, all** [ALL] income from the permanent
12 fund shall be **retained** [DEPOSITED] in the [GENERAL] fund [UNLESS
13 OTHERWISE PROVIDED BY LAW].

14 * **Sec. 2.** Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding new
15 subsections to read:

1 (b) Each fiscal year, the legislature shall appropriate from the permanent fund
2 not more than five percent of the average fiscal-year-end market value of the
3 permanent fund for the first five of the preceding six fiscal years, including the fiscal
4 year just ended.

5 (c) Notwithstanding Section 13 of this article, each fiscal year, an amount
6 equal to fifty percent of the maximum amount available for appropriation under (b) of
7 this section shall be transferred for dividend payments to residents of the State.
8 Notwithstanding Section 15 of Article II, the governor may not veto or reduce a
9 transfer made under this section.

10 (d) Each fiscal year, the legislature shall appropriate a portion of the amount
11 appropriated under (b) of this section for power cost equalization. The amount
12 appropriated shall be the amount necessary to equalize the cost of power in the State,
13 according to State law, but may not exceed fifty percent of the amount appropriated
14 under (b) of this section.

15 (e) Each fiscal year, the legislature may appropriate that portion of the amount
16 appropriated under (b) of this section remaining after the appropriations under (c) and
17 (d) of this section to the general fund.

18 (f) The permanent fund may be used to pay costs associated with investments
19 made under (a) of this section.

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

22 **Section 30. Permanent Fund Amendments: Transition.** (a) On June 30,
23 2023, the unencumbered balance of the earnings reserve account established by law
24 shall be deposited in the Alaska permanent fund.

25 (b) On June 30, 2023, the unencumbered balance of the power cost
26 equalization endowment fund established by law shall be deposited in the Alaska
27 permanent fund.

28 (c) The 2022 amendments relating to the Alaska permanent fund (art. IX, sec.
29 15) apply to appropriations made for the fiscal year ending June 30, 2024, and
30 thereafter.

31 * **Sec. 4.** The amendments proposed by this resolution shall be placed before the voters of

- 1 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
- 2 State of Alaska, and the election laws of the state.