

CS FOR HOUSE JOINT RESOLUTION NO. 26(W&M)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Offered: 5/2/03

Referred: Judiciary, Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to and limiting**
2 **appropriations from the Alaska permanent fund based on an averaged percent of the**
3 **fund market value to protect the fund from inflation and assure that the real value of**
4 **the fund will be preserved over the long term.**

5 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** Article IX, sec. 15, Constitution of the State of Alaska, is amended to read:

7 **Section 15. Alaska Permanent Fund. (a)** At least twenty-five per cent of all
8 mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing
9 payments and bonuses received by the State shall be placed in a permanent fund.
10 **Except as appropriated under (b) of this section, money in the permanent fund** [
11 THE PRINCIPAL OF WHICH] shall be used only for those income-producing
12 investments specifically designated by law as eligible for permanent fund investments.
13 [ALL INCOME FROM THE PERMANENT FUND SHALL BE DEPOSITED IN
14 THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY LAW.]

15 * **Sec. 2.** Article IX, sec. 15, Constitution of the State of Alaska, is amended by adding a

1 new subsection to read:

2 (b) To protect the permanent fund from the effects of inflation and thereby
3 assure that the real value of the permanent fund will be preserved over the long term,
4 appropriations from the permanent fund for a fiscal year may not exceed five percent
5 of the average of the market values of the fund on June 30 for the first five of the six
6 fiscal years immediately preceding that fiscal year.

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

9 **Section 30. Transition.** On the effective date of the 2004 amendment relating
10 to the Alaska Permanent Fund (art. IX, sec. 15), the unencumbered, unappropriated
11 balance of the earnings reserve account established under AS 37.13.145(a) is added to
12 the balance in the Alaska Permanent Fund.

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