

**SPONSOR SUBSTITUTE FOR SENATE JOINT RESOLUTION NO. 2**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

**BY SENATOR BEGICH**

**Introduced: 3/20/19**

**Referred: State Affairs, Judiciary, Finance**

**A RESOLUTION**

1   **Proposing amendments to the Constitution of the State of Alaska relating to the Alaska**  
2   **permanent fund.**

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

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

5           **Section 15. Alaska Permanent Fund. (a)** At least twenty-five percent of all  
6           mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing  
7           payments and bonuses received by the State shall be placed in a permanent fund, the  
8           principal of which shall be used only for [THOSE INCOME-PRODUCING]  
9           investments **made according to the prudent investor rule** [SPECIFICALLY  
10          DESIGNATED BY LAW AS ELIGIBLE FOR PERMANENT FUND  
11          INVESTMENTS. ALL INCOME FROM THE PERMANENT FUND SHALL BE  
12          DEPOSITED IN THE GENERAL FUND UNLESS OTHERWISE PROVIDED BY  
13          LAW].

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

16           (b) Net income of the permanent fund shall be computed annually as of the

1 last day of the fiscal year in accordance with generally accepted accounting principles.  
2 Income available for distribution under this section equals four percent of the fiscal-  
3 year-end market value of the permanent fund, but may not exceed the net income of  
4 the fund for the fiscal year just ended. Fifty percent of the income available for  
5 distribution shall be transferred from the income of the fund for use in a program of  
6 dividend payments to State residents as provided by law. Fifty percent of the income  
7 available for distribution shall be deposited in the general fund. The transfer from the  
8 income of the fund for dividend payments and to the general fund shall be made  
9 without legislative appropriation.

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