

**An Act to Restore the Hammond 50-50 Plan with Historical Traditional Resident Payments Based on "35 Years of Precedent Payments" This Act Requires Transfers from the Earnings Reserve Account (ERA) Formulated Based on Average Earned Income Held as Undistributed Earnings (4/5ths averaged over five years) with 1/5th as Distributed Earnings (5/5ths averaged over five years includes 5% for Inflation Proofing) or a 105% of Earnings Divided by 5 years each increment Equals 21% of Average Earnings to be Distributed in Equal Halves or 50-50. (Undistributed Earnings equals 84%) (Distributed Earnings equals 21%)**

**This Act requires the return of shared fifty-fifty or 10.5% of total earnings paid to the eligible shareholders as a dividend is divided by the Number of Eligible/Qualified Applications Annually. With 10.5% of the five-year average transferred for Government to be paid into the Constitutional Budget Reserve ensuring a perpetual or continuous dividend based on fund earnings.**

- A.** Add fund statutory net income from the current plus the previous four fiscal years.
- B.** Multiply by 21%.
- C.** Divide by 2.
- D.** Subtract prior year obligations, expenses, and PFD program operations.
- E.** 50% of the Earnings is Divide by the number of eligible/qualified. applicants transferred by the PFD Corporation to eligible shareholders in the first week of October each year from a Earnings Reserve account which (equals to 10.5% of earnings or half of 21%).
- F.** 50% of the earnings shall be transferred to the Constitutional Budget Reserve to prevent forward funding and protect spending by the legislature without a 75% majority vote to withdraw. All mineral related income received by the State Section 17 to Article IX of the Constitution of the State after 1 July 1990 funds received must be deposited in the CBR before designated based on PFD distributions equal to 10.5% of earnings or half of 21%).

**This Act prevents the Alaska Legislature from making formula changes to the permanent fund dividend without a vote of the people. It protects the permanent fund transfers as distributed earnings in statutory law to be paid to eligible shareholders. It also transfers budget funds into protected accounts for responsible government spending limits within the budget process. AS 43.23.045.**

**Should this initiative become law? YES or NO?**