



THE STATE
of ALASKA
GOVERNOR BILL WALKER

Department of Revenue

COMMISSIONER'S OFFICE

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July 11, 2016

The Honorable Bill Stoltze, Chair
Senate State Affairs Committee
State Capitol Building
Juneau, AK 99801

Dear Senator Stoltze:

The Department of Revenue (DOR) respectfully requests that SB 5001, "An Act relating to the Alaska Permanent Fund Corporation, the earnings of the Alaska permanent fund, and the earnings reserve account; relating to management of the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) by the Alaska Permanent Fund Corporation; relating to procurement by the Alaska Permanent Fund Corporation; relating to the mental health trust fund; relating to deposits into the dividend fund; relating to the calculation of permanent fund dividends; relating to unrestricted state revenue available for appropriation; and providing for an effective date," be scheduled in the Senate State Affairs Committee at your earliest convenience.

The purpose of this legislation is to establish a new financial model to enable sustainable funding of State services and the protection of the Permanent Fund. An annual sustainable draw would be made from the earnings reserve account to the general fund to support State government services.

Your favorable consideration of this request is appreciated. If you need any additional information, please contact Jerry Burnett, Deputy Commissioner for the Department of Revenue at 907-465-3669.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randall J. Hoffbeck".

Randall J. Hoffbeck, Commissioner

Cc: Darwin Peterson, Legislative Director, Office of the Governor
Jerry Burnett, Deputy Commissioner, Department of Revenue
Ken Alper, Director, Tax Division, Department of Revenue