

ALASKA STATE LEGISLATURE

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Senator Click Bishop

Alaska Permanent Fund Education Raffle

Idea: Create a system that would allow anyone 18 years and older to voluntarily donate part of their Permanent Fund check to help pay for education and create an education endowment fund. When the donation is made, the participant's name goes into a drawing that would pay out a percent of the money taken by donation as a prize. No restrictions for previous winners. The odds for winning are greater than most known lotteries, donations can be made in as many \$100 increments as the PFD check permits, increasing your odds of winning. Only money from a PFD check can be used to enter the raffle.

½ of yearly donations goes directly to the Public Education Fund

The idea is that ½ of whatever the total donation is in any given year, will be deposited in the Public Education fund.

¼ of yearly donations goes directly to Education Endowment

The endowment for education would be saved and invested for future education funding, managed by the Department of Revenue. Interest and earnings go back to the fund. When the fund reaches \$1 billion it would be managed as a typical endowment, modeled after the Power Cost Equalization Fund.

¼ of yearly donations goes directly to Raffle Fund

The raffle fund would be saved and used for future prize payments at designated percentages of the total value of the raffle fund. When the cap of \$500 million is reached, any money above the cap will roll into the Education Endowment. Advertising and management of the lottery will be taken from this fund. Each year 20% of this fund would be awarded as prizes as follows.

10% First Drawing Winner

5% Second Drawing Winner

3% Third Drawing Winner

2% Forth Drawing Winner

The total payout of 20% is from just the Raffle Fund. If the Raffle Fund reaches \$500 million the interest and earnings and some of the donations would spin off to the Education Endowment. The Raffle Fund will be managed by the Department of Revenue. All future income will be added to the Raffle Fund balance that was not paid out in prizes in the previous year.