

SB 23 & SB 24



Bill Introduction and Overview

May 8, 2019

What the Bills Do

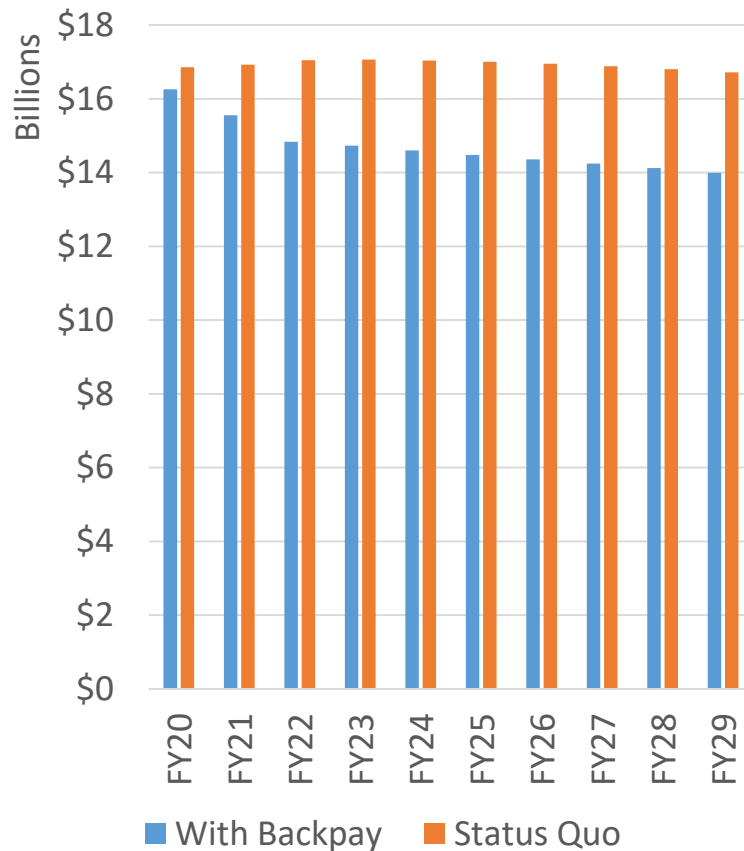
- SB23 authorizes the transfer from the Earning Reserve Account (ERA) of the Permanent Fund to the Dividend Fund in order to pay a dividend to Alaskans that represents the amount that was not paid in 2016, 2017, and 2018 – based on the statutory calculation
 - The bill also authorizes the transfer of the statutorily calculated PFD for the next four years
- Each appropriation was calculated by subtracting the dividend amount that was appropriated in each of the last three fiscal years from the amount estimated to be what would have been calculated by AS 43.23.025(a)
 - Those appropriations are:
 - \$1,061 per person in FY20 (estimated to be \$565 million)
 - \$1,289 per person in FY21 (estimated to be \$683 million)
 - \$1,388 per person in FY22 (estimated to be \$736 million)
- SB24 directs the Commissioner of Revenue to include these appropriations in addition to the PFD calculation for the distribution made in October of 2019, 2020, and 2021.

What the Bills Do

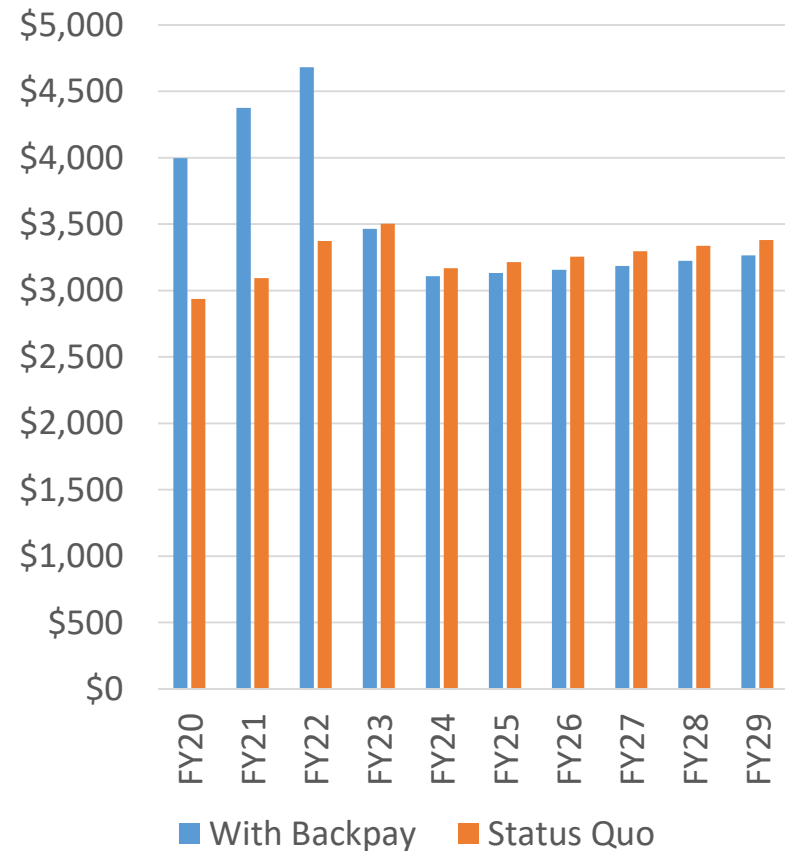
- To be eligible for the incremental payment, a person must have received a PFD in the year of the reduced dividend and be eligible in the year of the appropriation
 - To receive the incremental PFD in October 2019, must have received PFD in 2016 and be eligible in 2019
 - To receive the incremental PFD in October 2020, must have received PFD in 2017 and be eligible in 2020
 - To receive the incremental PFD in October 2021, must have received PFD in 2018 and be eligible in 2021

Expected Impact to ERA*

Fund Balance



PFD



*Assumes draws from the ERA are limited to the proposed appropriations in addition to the POMV and inflation proofing calculations

THANK YOU



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