

Constitutional Amendment

Establishing a Percent of Market Value for the Alaska Permanent Fund

The Trustees of the Fund have been on record since 2003 supporting a constitutional amendment to enact a five percent of market value (POMV) spending limit and to protect the entire Fund by eliminating the distinction between principal and earnings.

The POMV structure establishes a limit to the amount that can be drawn from the Fund and is based on its average annual market value over a period of five years.

Why is a POMV important to the Alaska Permanent Fund -

- To allow the Fund to benefit all generations of Alaskans
- To limit payouts and make them predictable
- To protect the Fund's value through constitutional inflation proofing
- To provide a payout method compatible with APFC's investment policy and asset allocation strategy

Board of Trustees Resolutions 00-13, 03-05, 04-09

- Implementation of a constitutional POMV spending limit for the Fund has the accompanying benefit of assuring permanent inflation proofing of the Fund
- Supporting a constitutional amendment to limit the annual Fund payout to not more than a 5% POMV averaged over a period of 5 years

Board of Trustees Resolution 18-04

- Legal framework to ensure the long-term success and sustainability of the Fund through: Adherence, Sustainability, Inflation Proofing and Real Growth
- The Board has long supported the percent of market value (POMV) concept, including a constitutional amendment that would ensure no more than a sustainable amount was taken from the annual earnings of the Permanent Fund (Resolutions 00-13, 03-05 and 04-09)

Board of Trustees Resolution 20-01

- Transform, by constitutional or statutory amendment, the Alaska Permanent Fund and Earnings Reserve Account into a single fund and limit the annual draw to the fund's long-term real return
- Constitutional Amendment: On three prior occasions, the Board has adopted a resolution (Resolutions 00-13, 03-05, and 04-09) to collapse the Earnings Reserve Account into the Principal of the Fund and limit the annual draw from the combined Fund to no more than five percent of the average fiscal year-end market value of the fund over the immediately preceding five years

More information is available on APFC's website:

[Fund Education](#)

[Resolutions of the Board of Trustees](#)

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