

## REPRESENTATIVE KEN McCARTY

HOUSE DISTRICT 13 — CHUGIAK/EAGLE RIVER/JBER



### SPONSOR STATEMENT FOR HOUSE BILL 4010

*An Act relating to use of income of the Alaska permanent fund; relating to the amount of the permanent fund dividend; relating to the duties of the commissioner of revenue; and providing for an effective date.*

House Bill 4010 would provide an established formula for the appropriate of annual permanent fund dividend for Alaskans.

From 1982 until 2016 the annual appropriate of permanent fund dividends were established and implemented per Statute. In 2016 the Legislature and an uncontested governor veto changed the Statute and the allocation formula resulting in an undetermined dividend appropriation. House Bill 4010 will integrate the POMV formula consideration of Statute with an established percentage formula appropriation for both the state and dividend for Alaskans. The purposed formula for consideration is 65% state and 35% Alaskan dividend.

In addition to the 65% formula for the state that at least 20% of that must be used for Capital Projects. The state's expenses involve operations and capital projects. Over the years the Capital projects have not been attended to for one reason or another, which at this time the state is over 2 billion dollars behind in Capital project repairs. The inclusion of the 20% will not only secure the importance of attending to Capital Projects but also avail funds for infrastructure, promote businesses, avail jobs, secure and improve roads, bridges, buildings, and school facilities.

The origin of the Permanent Fund Dividend is in recognition of individual residents / stakeholders of Alaska. The appropriation of the funds are done with equality. No social economic, age, or political preference determine the dividend. Simply, being a resident of Alaska under law qualifies an annual dividend.

Since the 2016 change to the Permanent Fund Dividend formula and inclusion of the POMV that the people of Alaska have greatly questioned the intent of its state government. Alaskans have made statements with themes that the state is disenfranchised of its people / stakeholders by depriving them of a reliable annual dividend. By approving House Bill 4010 it will make a resounding statement that residents of Alaska are valued stakeholders of this great state and will be honored with a reliable annual dividend.