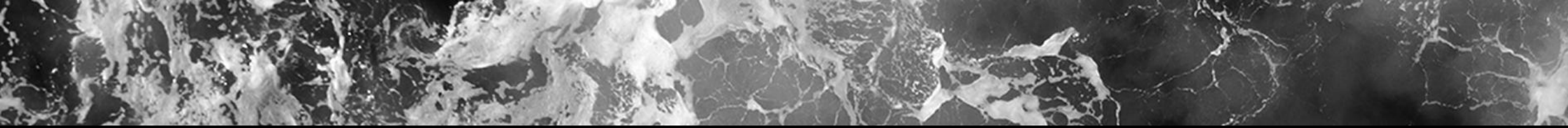


SB 274

“An Act relating to the computation of the amount available for appropriation from the Alaska permanent fund; and providing for an effective date.”

March 12, 2026
Senate Finance Committee
Alaska State Legislature





Purpose & Intent of SB 274

Purpose

Lower the draw rate of the Alaska permanent fund to strengthen the long-term growth of the fund.

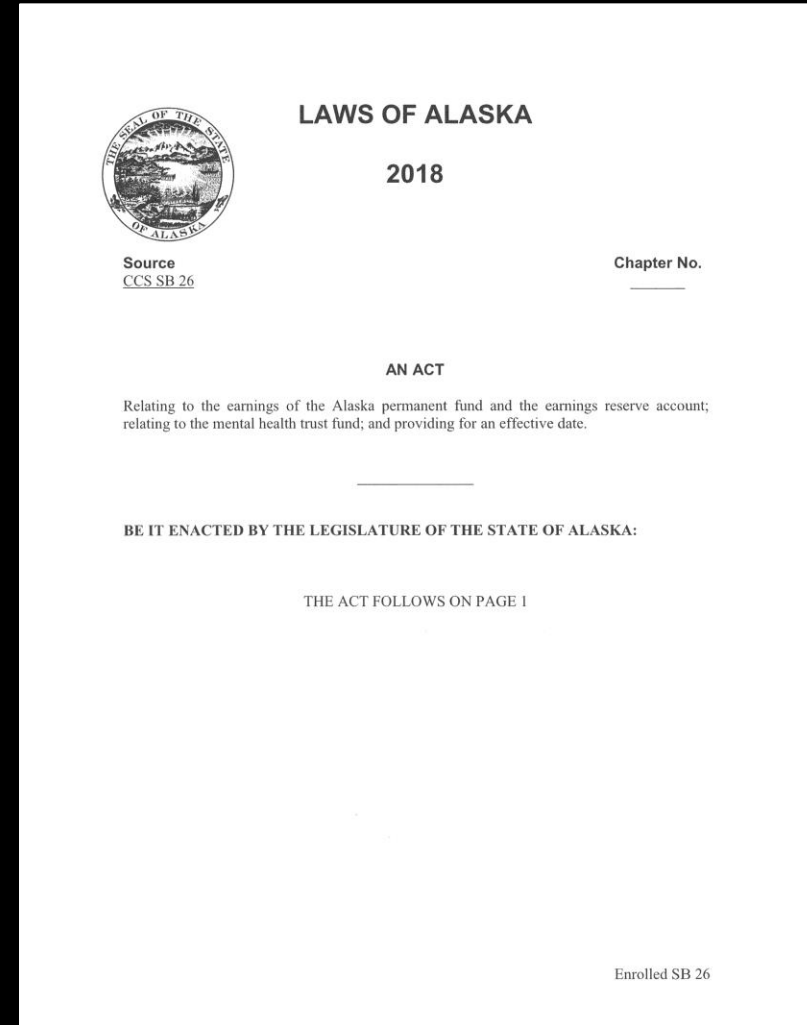
Intent

Maintain generational equity by preserving the purchasing power of the Alaska permanent fund against inflation.

POMV Primer

Percent of Market Value (POMV) is a rule-based fiscal framework that limits the annual draw to a percentage of the 5-year average of the market value of the Alaska Permanent Fund.

- Sustainable
- Predictable
- Structured
- “Smoothing Effect” reduces volatility
- Balances the current needs with long-term goal of preserving the fund for future generations



What does SB 274 DO?

Lowers the POMV Draw Rate from
5% to 4.5% by 0.1% per year.

FY29 4.9%

FY30 4.8%

FY31 4.7%

FY32 4.6%

FY33 4.5%



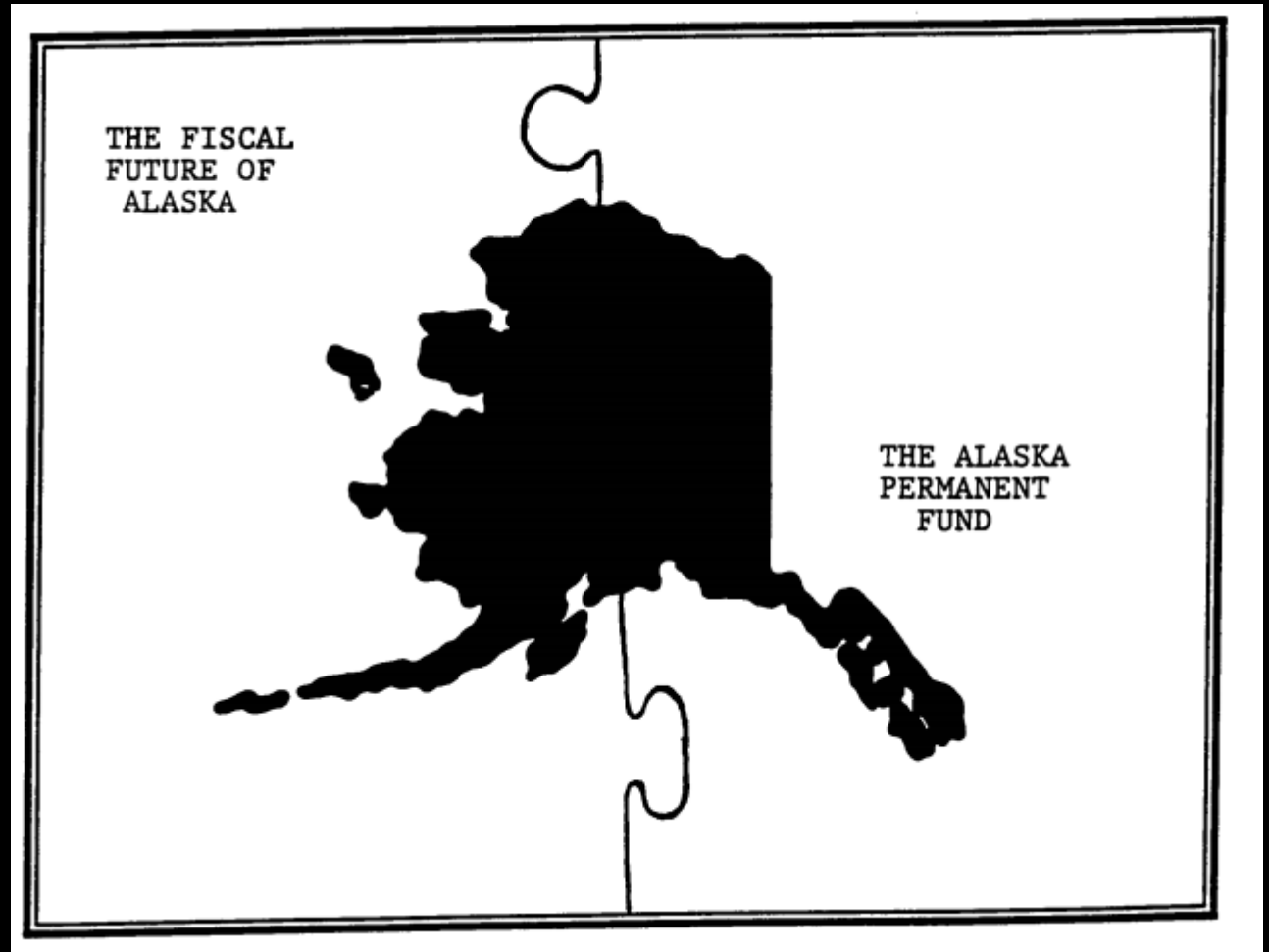


Sectional Analysis

- Section 1 – Lowers draw rate over 5-year period from 5.0% to 4.5%.
- Section 2 – Sets draw rate at 4.5%.
- Section 3 – Amerada Hess carveout (conforming).
- Section 4 – Effective date for Section 2 (July 1, 2032).
- Section 5 – Delayed effective date (July 1, 2028).

POMV DRAW Lookback & Forecast

Fiscal Year	POMV Rate	Effective Draw Rate
FY19	5.25%	4.20%
FY20	5.25%	4.42%
FY21	5.25%	4.73%
FY22	5.00%	3.75%
FY23	5.00%	4.39%
FY24	5.00%	4.52%
FY25	5.00%	4.55%
FY26	5.00%	4.46%
FY27	5.00%	4.47%
FY28	5.00%	4.43%
FY29	4.90%	4.38%
FY30	4.80%	4.33%
FY31	4.70%	4.28%
FY32	4.60%	4.20%
FY33	4.50%	4.10%
FY34	4.50%	4.09%
FY35	4.50%	4.08%





Forthcoming modeling from:

- Legislative Finance Division
- Callan

Questions?