



# Updated Fiscal Outlook and Summary

Senate Finance Committee  
April 22, 2026  
Legislative Finance Division

# FY26 Update

- Oil prices have remained volatile since the Spring forecast, with prices changing regularly by \$10+ over the course of a single day.
- DOR's Spring Forecast assumed oil would average \$91.09 from March-June. Between the start of March and April 17, ANS has averaged \$101.13, but the market has trended downward more recently. With the continued volatility, revenue remains highly uncertain.
- The FY25 Annual Comprehensive Financial Report (ACFR) for the State of Alaska was released in late February. It showed that FY25 ended up with a general fund surplus rather than the projected deficit.
  - This is due to higher post-audit revenue, released encumbrances, and the timing of federal reimbursements and other non-UGF items.
  - This means that the Alaska Higher Education Investment Fund (HEIF), from which \$129.6 million was drawn to fill the projected FY25 deficit, can likely be refilled using FY25 revenue because the transfer has already been reversed in the accounting system.
  - Hence the amount necessary from *FY26* revenue to refill the HEIF may be reduced or eliminated, rather than the projected \$129.6 million. The administration is working on determining how to handle this item.
- This illustrates the risk of relying on narrow fiscal margins: there are factors that can influence the surplus and deficit calculation that are difficult to predict.

# Potential FY26 Scenarios with SCS1

Spring Revenue Forecast	6,526.7
FY26 MP	6,033.1
HB 289 Enacted	449.6
<b>Remaining Surplus</b>	<b>44.0</b>
Remaining Supplementals Added in SCS1	11.6
Additional Items in Upcoming Gov Amends (Judgments, etc.)	Unknown
K-12 Actual Increase over Management Plan	6.7
Repay HEIF with FY25 Surplus	(129.6)
<b>Adjusted Surplus</b>	<b>155.3</b>
Less \$150 Energy Relief (SCS1)	96.0
Remainder for K-12 Outside-the-Formula (up to \$100m)	59.3
Revenue above forecast if prices average \$91.09 ROY (forecast)	25.0
Total for K-12	84.3
Revenue above forecast if prices average \$95 ROY	91.8
Total for K-12	100.0
Remainder to SBR	51.1

# FY27 Summary Comparison

(UGF Only, \$ millions)	Governor	House	Senate
Spring Forecast	6,725.3	6,725.3	6,725.3
Adjustments	(21.3)	(17.6)	(17.1)
<b>Total Revenue</b>	<b>6,704.0</b>	<b>6,707.8</b>	<b>6,708.2</b>
Agency Operations	4,883.8	5,130.3	4,935.8
Statewide Items	451.5	535.8	601.6
Capital Budget*	167.0	167.0	255.3
PFD	2,365.9	992.4	674.1
<b>Total Appropriations</b>	<b>7,868.2</b>	<b>6,825.5</b>	<b>6,466.9</b>
Net Fund Transfers	(1.3)	(6.0)	4.6
<b>Post-Transfer Surplus/(Deficit)</b>	<b>(1,162.9)</b>	<b>(111.8)</b>	<b>236.8</b>

Capital Assumption: Gov/House: GovAmend; Senate: SFIN + SCS1 MH

# FY27 Summary Comparison – Senate Finance Co-Chair Scenario

(UGF Only, \$ millions)	Governor	House	Senate
Spring Forecast	6,725.3	6,725.3	6,725.3
Reduction to \$73 Oil	(68.8)	(68.8)	(68.8)
Adjustments	(21.3)	(17.6)	(17.1)
<b>Total Revenue</b>	<b>6,635.2</b>	<b>6,639.0</b>	<b>6,639.4</b>
Agency Operations	4,883.8	5,130.3	4,935.8
Placeholder for PSEA Contracts	7.0	7.0	7.0
Placeholder for Fiscal Notes	5.0	5.0	5.0
Statewide Items	451.5	535.8	601.6
Capital Budget	167.0	360.0	360.0
PFD	2,365.9	992.4	674.1
<b>Total Appropriations</b>	<b>7,880.2</b>	<b>7,030.5</b>	<b>6,583.5</b>
Net Fund Transfers	(1.3)	(6.0)	4.6
<b>Post-Transfer Surplus/(Deficit)</b>	<b>(1,243.7)</b>	<b>(385.6)</b>	<b>51.3</b>

# Questions?

## Contact Information

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