

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 221
 Fiscal Note Number: _____
 () Publish Date: _____

Identifier: SB221-DOR-APFC-4-24-26
 Title: RESTRICTING STATE FUND FIDUCIARY
 Sponsor: STEDMAN
 Requester: (S) FIN

Department: Department of Revenue
 Appropriation: Alaska Permanent Fund Corporation
 Allocation: APFC Investment Management Fees
 OMB Component Number: 3449

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2027 Appropriation Requested | Included in Governor's FY2027 Request | Out-Year Cost Estimates | | | | |
|-------------------------------|--------------------------------------|--|-------------------------|------------|------------|------------|------------|
| | | | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
| OPERATING EXPENDITURES | 0.0 | 0.0 | *** | *** | *** | *** | *** |
| Personal Services | | | *** | *** | *** | *** | *** |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | *** | *** | *** | *** | *** |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | *** | *** | *** | *** | *** |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

| | |
|--|-----------------------------|
| Prepared By: <u>Paulyn Swanson, Director of Communications</u> | Phone: <u>(907)796-1520</u> |
| Division: <u>Alaska Permanent Fund Corporation</u> | Date: <u>04/24/2026</u> |
| Approved By: <u>Deven Mitchell, Chief Executive Officer & Executive Director</u> | Date: <u>04/24/26</u> |
| Agency: <u>Alaska Permanent Fund Corporation</u> | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. SB221

Analysis

Section 4 adds a new subsection to AS 37.13.120, the statute governing Alaska Permanent Fund Corporation (APFC) investment responsibilities, stating that the Board may not invest state funds or do business with DigitalBridge Group, Inc.

The potential fiscal impact of this legislation is indeterminate.

Further clarification is needed on whether the bill applies only to the future investment activity of the permanent fund or whether it also applies to existing investments. There will likely be some fiscal impact if we need to liquidate existing investments.

APFC currently has a fund investment and a co-investment with the DigitalBridge Group; these commitments were made in 2021 and 2025.

APFC employs a robust, multi-layered due diligence process for all private equity investments, including these investments. This process includes a comprehensive evaluation of the manager's strategy and alignment of interests; a detailed financial, operational, and legal review; and a rigorous risk assessment. Investments are further vetted through internal governance structures prior to approval. Ongoing monitoring ensures continued compliance and alignment with long-term investment objectives.