

# Memorandum

To: Representative Johnson, Co-Chair  
Representative Edgmon, Co-Chair  
Representative Foster, Co-Chair  
House Finance Committee, Alaska State Legislature

From: Deven Mitchell, Executive Director & Chief Executive Officer  
Alaska Permanent Fund Corporation



Date: February 22, 2023

Re: Follow Up to House Finance Committee on February 10

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Thank you for the opportunity to present to the House Finance Committee on the Alaska Permanent Fund and highlight the Corporation's work to manage and invest Alaska's renewable financial resource.

In response to follow-up requests, we respectfully submit the following –

1. *When was the Earnings Reserve Account established?*

CH 81, SLA 1982      The Legislature created the undistributed income account with the passage of SB 684.

CH 28, SLA 1986      The Legislature renamed the undistributed income account to the earnings reserve account with the passage and enactment of SB 346.

In the same year, the Legislature appropriated the entire balance of the undistributed income account to the Principal of the Fund, effective July 1, 1986. This amounted to \$1.26 billion.

2. *Provide the corresponding numbers to the pie charts depicting the historical asset allocation.*

Attached is the revised asset allocation slide. Interestingly, the historical asset allocation followed the statute's allowed investments. The decision by the Legislature in 2005 to remove the statutory list of allowed investments granted the Board the authority to invest the Fund under the Prudent Investor Rule. HB 215, enacted as CH 46, SLA 05.

As always, please contact us if you have further questions. APFC's Director of Communications, Paulyn Swanson, can be reached via email at [pswanson@apfc.org](mailto:pswanson@apfc.org) or 907-500-2476.