

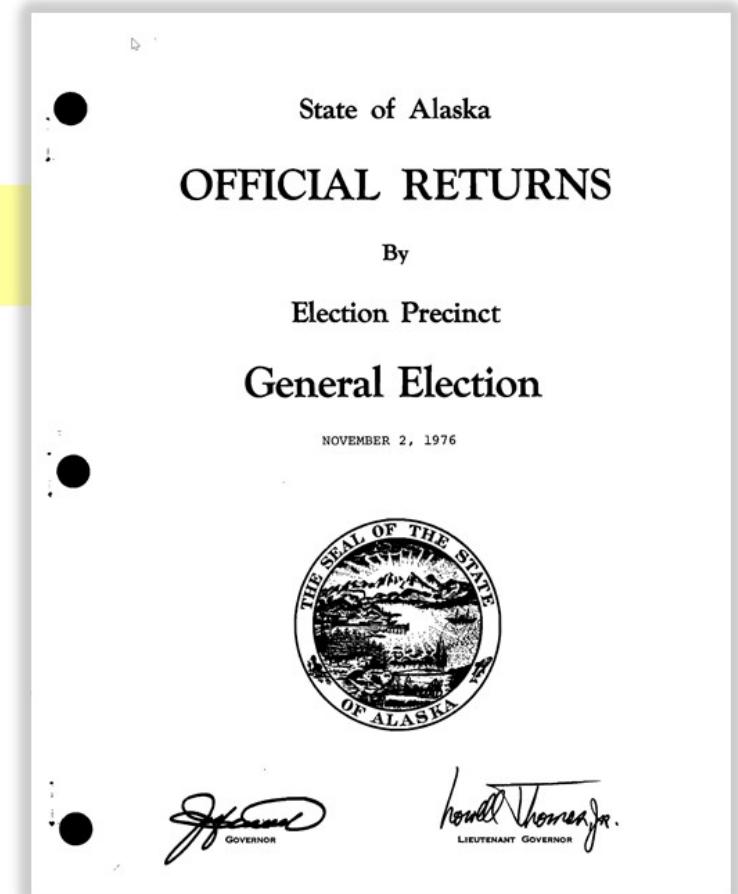


# HB 90: \$1000 Permanent Fund Dividend

Rep. Zack Fields

# Alaska's Constitution, Amended 1976

	<u>YES</u>	<u>NO</u>
Ballot Proposition No. 1 Action on Veto of Bills Constitutional Amendment	71,829	39,980
Ballot Proposition No. 2 Permanent Fund From Non- Renewable Resource Revenue Constitutional Amendment	75,588	38,518
Ballot Proposition No. 3 Administration and Review of State Land Disposals Constitutional Amendment	46,652	64,744
Ballot Proposition No. 4 Direct Financial Aid to Students Constitutional Amendment	54,636	64,211
Ballot Proposition No. 5 Initiative to Repeal Limited Entry Initiative	44,304	75,125
Ballot Proposition No. 6 Advisory Vote on Unicameral Legislature Initiative	58,782	55,204



# Governor Hammond's Plan (1980)

"In 1980, the state legislature enacted the Permanent Fund dividend program (ch. 21 SLA 1980, hereinafter "the 1980 Act") to distribute annually a portion of the Permanent Fund's earnings directly to the state's adult residents. Under the 1980 Act, each Alaska resident 18 years of age or older would receive one dividend per each year of residency since 1959, the year of statehood. The dividends would be paid yearly, starting with a value of \$50 per dividend in 1979. The initial payment to long-term residents would be \$1,050 each, while a new resident, having lived only one month of 1979 in Alaska, would receive \$4 (1/12th of the \$50 dividend for 1979)."

- Beattie Through Beattie v. United States, March 13, 1986

1982 Statute:

First Dividend =  
\$1000

---



# Historic Average Dividends

- 1982 – 2015 Average:  
**\$1,149.98**
- 1982 – 2022 Average:  
**\$1,198.91**

Dividend Year	State Population	Applications Received	Applications Paid	Dividend Amount	Percent Change	Total Disbursed Amount
2022	733,583	665,764	625,912	\$2,622.00	294.80%	\$2,055,495,008.00
2021	732,670	674,454	636,895	\$1,114.00	12.30%	\$709,501,030.00
2020	728,903	673,371	630,937	\$992.00	-38%	\$625,889,504.00
2019	732,734	678,738	633,243	\$1,606.00	3.70%	\$1,016,988,258.00
2018	736,239	670,759	639,247	\$1,600.00	45.50%	\$1,022,795,200.00
2017	737,847	670,706	633,005	\$1,100.00	7.60%	\$696,305,500.00
2016	739,828	674,939	638,178	\$1,022.00	-50.70%	\$652,217,916.00
2015	737,625	678,308	641,561	\$2,072.00	10.00%	\$1,329,314,392.00
2014	735,601	676,467	637,289	\$1,884.00	109.30%	\$1,200,652,476.00
2013	736,399	672,603	634,366	\$900.00	2.50%	\$570,929,400.00
2012	732,298	679,633	641,644	\$878.00	-25.20%	\$563,363,432.00
2011	722,190	677,888	644,959	\$1,174.00	-8.40%	\$757,181,866.00
2010	710,231	670,399	637,873	\$1,281.00	-1.80%	\$817,115,313.00
2009	692,314	660,290	624,888	\$1,305.00	-36.90%	\$815,478,840.00
2008	679,720	648,532	616,484	\$2,069.00	25.10%	\$1,275,505,396.00
2007	674,510	634,490	600,278	\$1,654.00	49.40%	\$992,859,812.00
2006	670,053	629,098	595,166	\$1,106.96	30.90%	\$658,824,955.36
2005	663,253	632,831	597,639	\$845.76	-8.10%	\$505,459,160.64
2004	656,834	631,229	599,992	\$919.84	-17.00%	\$551,896,641.28
2003	647,747	626,009	596,176	\$1,107.56	-28.10%	\$660,300,690.56
2002	640,544	621,257	590,031	\$1,540.76	-16.70%	\$909,096,163.56
2001	632,241	620,486	586,848	\$1,850.28	-5.80%	\$1,085,833,117.44
2000	627,533	619,063	583,633	\$1,963.86	11.00%	\$1,146,173,503.38
1999	622,000	592,779	573,324	\$1,769.84	14.90%	\$1,014,691,748.16
1998	617,082	585,222	565,657	\$1,540.88	18.90%	\$871,609,558.16
1997	609,655	575,270	555,289	\$1,296.54	14.70%	\$719,954,400.06
1996	605,212	566,061	546,651	\$1,130.68	14.20%	\$618,087,352.68
1995	601,581	564,702	542,397	\$990.30	0.70%	\$537,135,749.10
1994	600,622	559,840	535,178	\$983.90	3.60%	\$526,561,634.20
1993	596,906	550,705	528,399	\$949.46	3.70%	\$501,693,714.54
1992	586,722	544,017	523,099	\$915.84	-1.70%	\$479,074,988.16
1991	569,054	535,475	512,764	\$931.34	-2.20%	\$477,557,623.76
1990	553,171	533,876	498,447	\$952.63	9.10%	\$474,835,565.61
1989	538,900	526,511	508,710	\$873.16	5.60%	\$444,185,223.60
1988	535,000	537,279	519,724	\$826.93	16.80%	\$429,775,367.32
1987	541,300	553,320	530,594	\$708.19	27.30%	\$375,761,364.86
1986	550,700	543,858	533,315	\$556.26	37.70%	\$296,661,801.90
1985	543,900	526,976	519,413	\$404.00	22.00%	\$209,842,852.00
1984	524,000	494,150	482,135	\$331.29	-14.20%	\$159,726,504.15
1983	499,100	469,229	458,213	\$386.15	-61.40%	\$176,938,949.95
1982	464,300	487,841	470,897	\$1,000.00		\$470,897,000.00
Total	-	22,820,836	21,776,706	\$44,427.41		\$26,013,283,431.43

1982 – 2015 Average: \$1,149.98

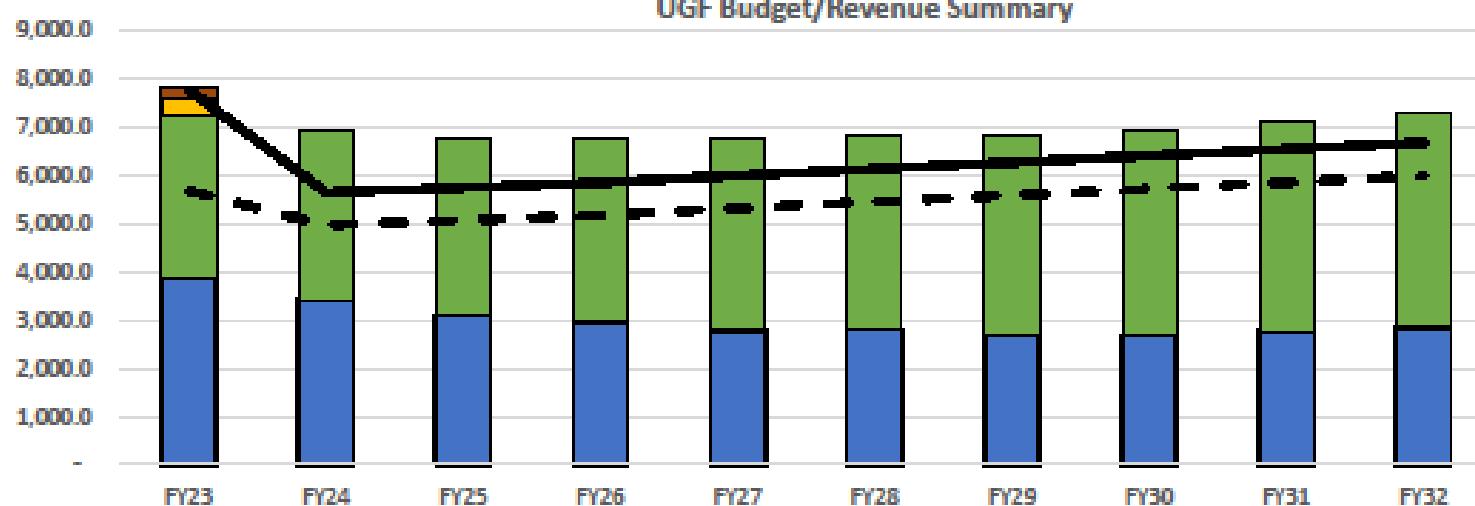
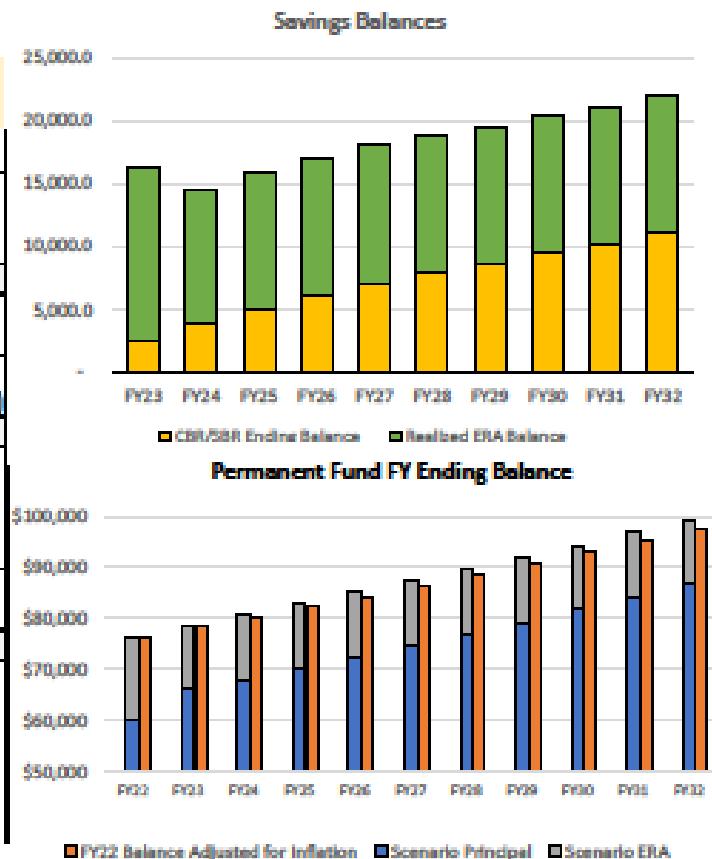


# Legislative Finance Models

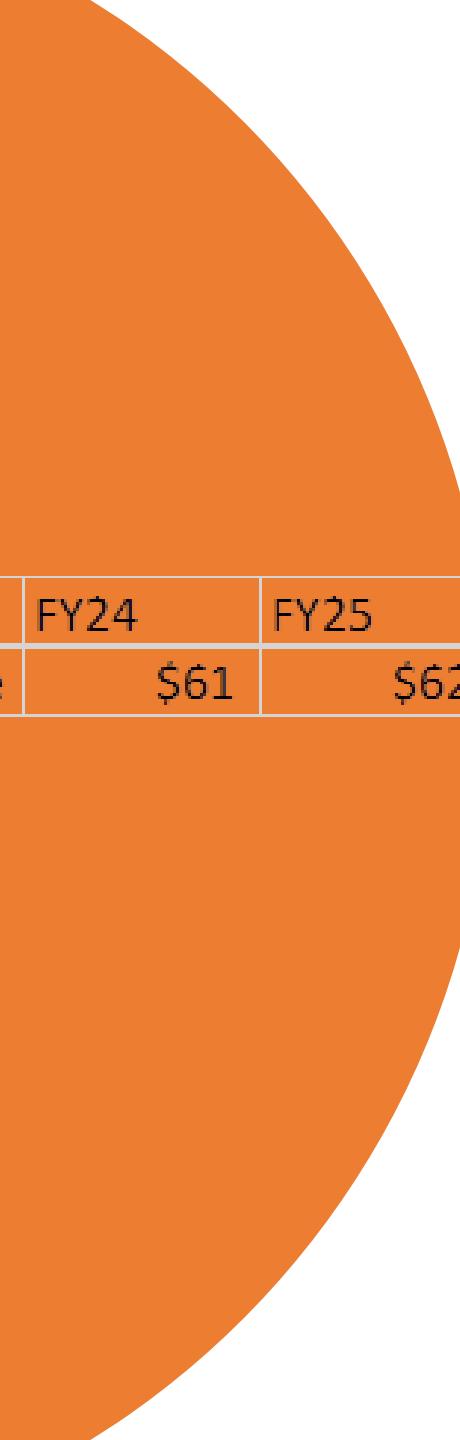
- Statutory Dividend Not Affordable Without Significant Taxes
- 50/50 Dividend Not Affordable Without Significant Taxes
- 75/25 Dividend Depends on Generous Assumptions to Avoid Taxes
- \$1,000 Dividend = Predictable Dividends, No Taxes for Dividends

## Legislative Finance Division Fiscal Model

Scenario Summary		Governor's FY24 amended budget with 2.0% annual agency operations and capital budget growth. Statutory funding of Community Assistance FY24+; \$1,000 per person PFD FY24+; DOR fall 2022 revenue forecast.									
Revenue Summary		FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Traditional Revenue		3,863.2	3,410.1	3,124.4	2,963.3	2,784.4	2,808.2	2,681.7	2,676.3	2,766.8	2,844.6
POMV Revenue		3,360.6	3,526.1	3,664.6	3,810.8	3,988.5	4,021.6	4,131.3	4,239.9	4,350.0	4,462.1
New Revenue/Adjustments		13.7	(0.9)	-	-	-	-	-	-	-	-
<b>Total Revenue</b>		<b>7,239.5</b>	<b>6,935.3</b>	<b>6,789.0</b>	<b>6,776.1</b>	<b>6,772.9</b>	<b>6,829.8</b>	<b>6,813.0</b>	<b>6,916.4</b>	<b>7,116.8</b>	<b>7,306.7</b>
Budget Summary		FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
LFD Budget Baseline		5,676.0	5,385.1	5,498.0	5,608.2	5,769.6	5,913.2	6,056.6	6,207.5	6,353.1	6,501.8
Scenario Changes		-	(419.0)	(429.5)	(440.2)	(451.2)	(462.5)	(474.1)	(485.9)	(498.1)	(510.5)
<b>Total Budget before PFD</b>		<b>5,676.0</b>	<b>4,966.1</b>	<b>5,068.5</b>	<b>5,168.0</b>	<b>5,318.4</b>	<b>5,452.7</b>	<b>5,582.6</b>	<b>5,721.6</b>	<b>5,855.1</b>	<b>5,991.3</b>
Surplus/(Deficit) before PFD		1,376.9	1,958.6	1,720.5	1,608.1	1,454.5	1,377.1	1,230.5	1,194.8	1,261.7	1,315.4
PFD Appropriation		2,100.4	688.0	673.2	675.6	677.9	680.0	682.1	684.0	685.8	687.6
Per Person		\$ 3,284	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>Pre-Transfer Surplus/(Deficit)</b>		<b>(536.5)</b>	<b>1,281.2</b>	<b>1,047.3</b>	<b>932.5</b>	<b>776.6</b>	<b>697.1</b>	<b>548.4</b>	<b>510.8</b>	<b>575.9</b>	<b>627.8</b>
ARPA Revenue Replacement		186.6	10.6	-	-	-	-	-	-	-	-
Net Savings Deposit/(Draw)		(330.3)	1,291.8	1,047.3	932.5	776.6	697.1	548.4	510.8	575.9	1,203.7
<b>CBR/SBR Ending Balance</b>		<b>2,436.3</b>	<b>3,842.2</b>	<b>3,013.6</b>	<b>6,096.8</b>	<b>7,048.2</b>	<b>7,941.8</b>	<b>8,706.4</b>	<b>9,431.1</b>	<b>10,279.3</b>	<b>11,181.2</b>
Remaining Gap after CBR/SBR		-	-	-	-	-	-	-	-	-	-



- ARPA Revenue Replacement
- Unplanned ERA Draw
- CBR/SBR Draw
- New Revenue/Adjustments
- POMV Revenue
- Baseline Traditional Revenue
- Budget with PFD
- Budget before PFD



At what oil price can the state afford to pay out a \$1000 dividend?

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
ANS Price	\$61	\$62	\$63	\$64	\$62	\$62	\$69	\$68	\$68



---

1. Provide PFD Predictability for Alaskans
2. Fund Services Consistent with Constitutional Intent
3. Maintain low/zero tax burden

---

# When Energy Prices Spike, Energy Relief Better Stimulus Than Inflated PFDs

## IRS says it won't tax \$662 energy relief payment Alaskans received last year along with PFD

By Alex DeMarban

Updated: February 16, 2023

Published: February 16, 2023



A sign outside the Internal Revenue Service building in Washington, on May 4, 2021. (AP Photo/Patrick Semansky)

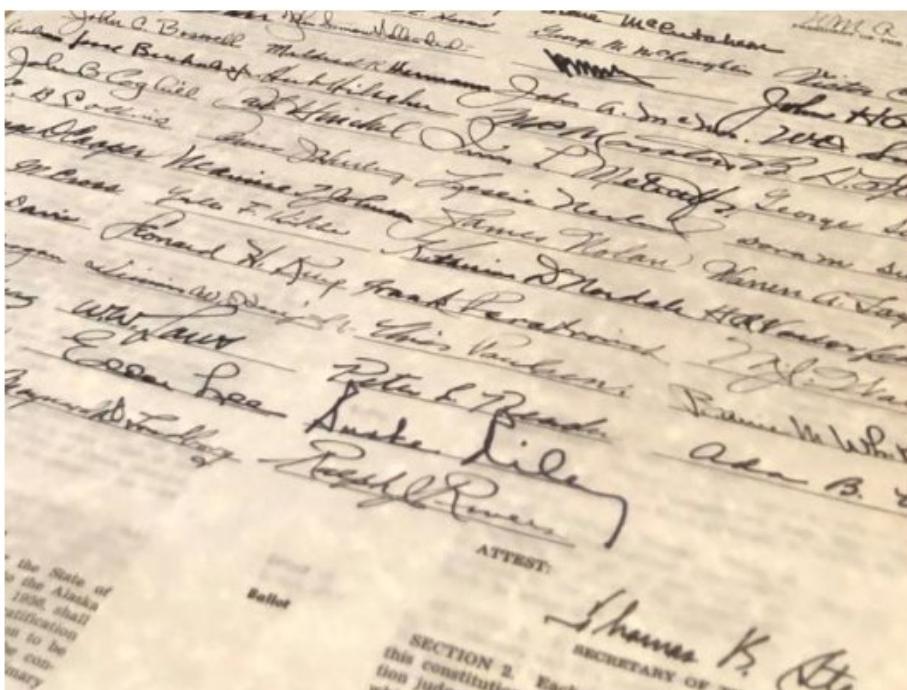
## BM#1 Constitutional Convention

Precincts Reported: 401 of 401 (100.00%)

		Total	
Times Cast		266,943 / 601,161	44.40%
Candidate	Party	Total	
YES		75,723	29.55%
NO		180,529	70.45%
Total Votes		256,252	
		Total	

## Alaskans say no to constitutional convention

By Kavitha George & Jeremy Hsieh, Alaska Public Media - Anchorage - November 9, 2022



A copy of the Alaska constitution at Vic Fischer's home. Fischer is the last surviving delegate from the 1955 Alaska Constitutional Convention. (Lori Townsend/Alaska Public Media)

Alaskans have overwhelmingly said no to holding a constitutional convention.

Voters opposed the convention by more than 2-1, according to election results. About 70% of voters said no to a convention while about 30% said yes. The Division of Elections will be tallying absentee and overseas ballots for several more days before results are expected to be certified on Nov. 29.



Questions?

