

ALASKA STATE LEGISLATURE

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Official Business

Sectional Analysis Senate Bill 107

Establishing a new formula for the division of the annual Percent of Market Value draw from the Permanent Fund and the Permanent Fund dividend.

- Sec. 1.** Repeals the current formula that describes the "amount available for distribution" as 21% of the past five year's Statutory Net Income. Amends the current 5% Percent of Market Value (POMV) statute to confirm that the appropriation may not exceed the amount in the Earnings Reserve Account.
- Sec. 2** Modifies the Permanent Fund dividend statute, moving from a basis of 50% of the "21% of earnings" formula, to a calculation of 25% of the annual Percent of Market Value draw.
- Sec. 3** Conforming language to clarify that the annual inflation proofing of the Permanent Fund principal is by legislative appropriation.
- Sec. 4** Conforming language related to the exclusion of Amerada Hess earnings from both the POMV and dividend calculations.
- Sec. 5** Conforming language related to the exclusion of Mental Health Trust earnings from the POMV and dividend calculations.
- Sec. 6** Conforming language related to the annual appropriation to the dividend fund.
- Sec. 7** Conforming language repealing sections no longer needed due to the elimination of the former statutory formula and the new language in Sec. 3.
- Sec. 8** Immediate effective date ensuring the changes impact the Fall 2023 dividend.