

# AN ALTERNATIVE DIVIDEND FORMULA HB 114

Rep Ashley Carrick, Bill Sponsor

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Proudly Serving House District 35, West Fairbanks





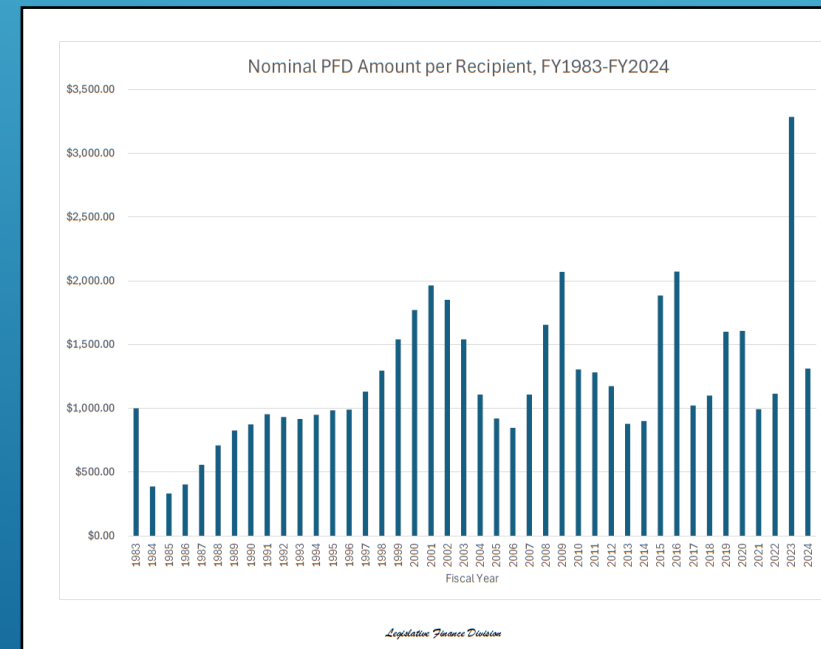
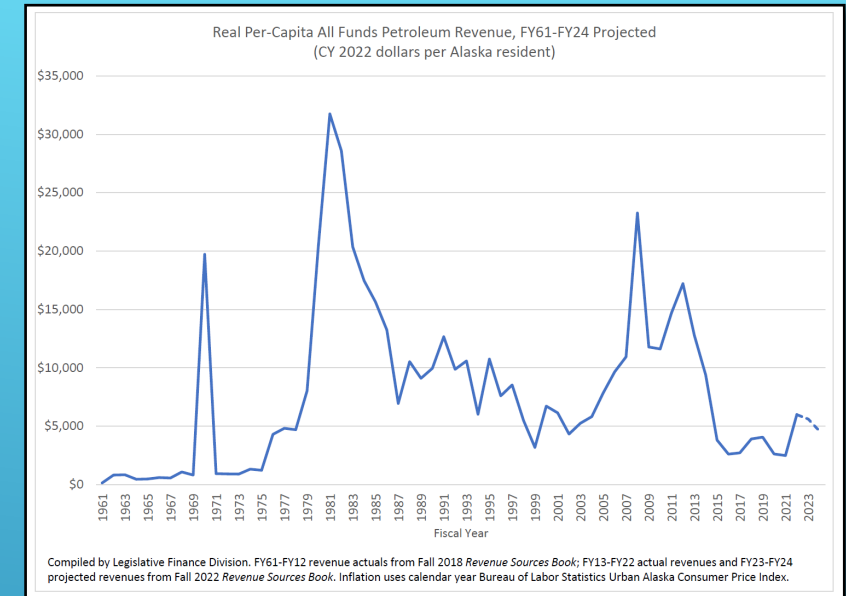
- The current 1982 statutory formula, and all proposed POMV formulas, are based off the performance of the permanent fund itself rather than the direct performance of resource development.

# THE CURRENT DIVIDEND PROGRAM

Source, Legislative Finance Division

**Pictured right:**  
Per-capita  
petroleum  
revenue FY 61 -  
24 (projected)

**Pictured below:**  
Nominal PFD  
size per  
recipient, FY 83-  
24





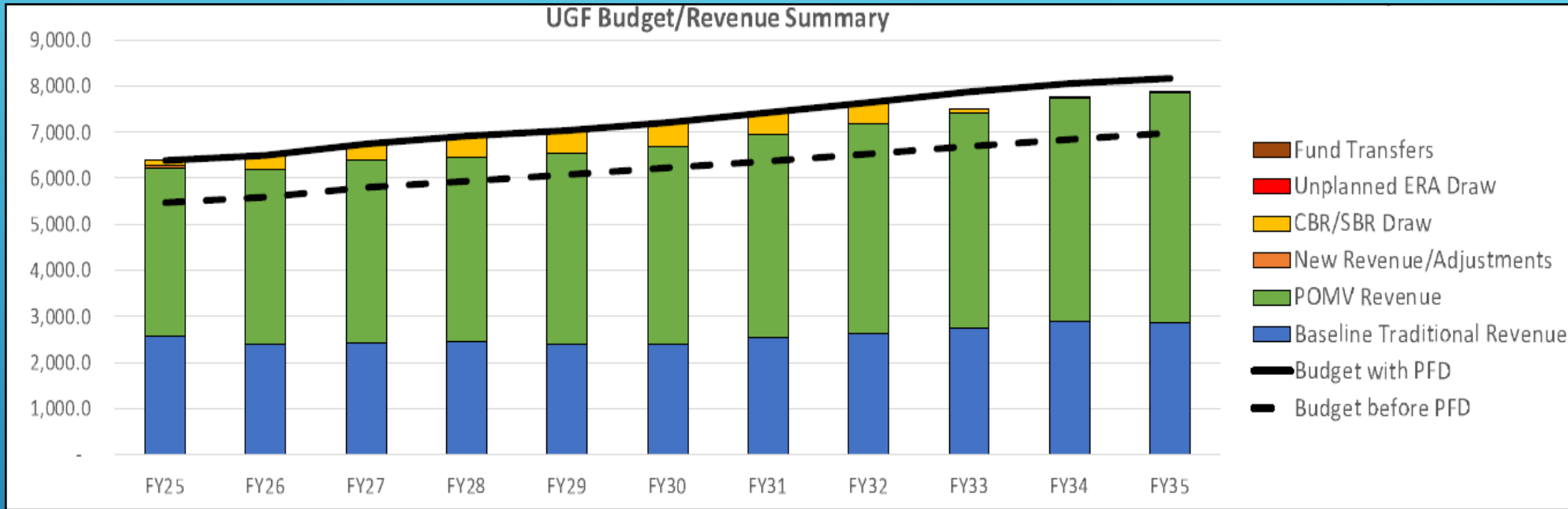
- \$1702 dividend per Alaskan in FY 25.
- Modest deficit in FY25 of \$130 million compared to \$1.5 billion with existing dividend formula.

# PROJECTED ROYALTY DIVIDEND SIZE

Source, Legislative Finance Division

Legislative Finance Division Fiscal Model											
<b>Scenario Summary</b> 2/19/25		FY 26 LFD Budget Baseline with 2.5% annual agency operations and capital growth; \$50M annual supplementals; DOR Fall 2024 Revenue Forecast; 69% of total royalties to PFD FY26+									
<b>Revenue Summary</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>	<b>FY32</b>	<b>FY33</b>	<b>FY34</b>	<b>FY35</b>
Baseline Traditional Revenue	2,571.3	2,399.9	2,419.1	2,449.1	2,396.8	2,405.1	2,550.2	2,641.5	2,736.9	2,893.8	2,871.9
POMV Revenue	3,657.2	3,798.9	3,979.7	4,018.2	4,136.3	4,267.5	4,402.8	4,540.5	4,683.4	4,832.5	4,987.3
New Revenue/Adjustments	32.4	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>6,260.9</b>	<b>6,198.8</b>	<b>6,398.9</b>	<b>6,467.3</b>	<b>6,533.1</b>	<b>6,672.6</b>	<b>6,953.1</b>	<b>7,182.0</b>	<b>7,420.2</b>	<b>7,726.3</b>	<b>7,859.2</b>
<b>Budget Summary</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>	<b>FY32</b>	<b>FY33</b>	<b>FY34</b>	<b>FY35</b>
LFD Budget Baseline	5,473.8	5,589.2	5,795.8	5,934.0	6,076.3	6,226.0	6,370.2	6,524.0	6,691.8	6,843.1	6,983.8
Scenario Changes	-	-	-	-	-	-	-	-	-	-	-
<b>Total Budget before PFD</b>	<b>5,473.8</b>	<b>5,589.2</b>	<b>5,795.8</b>	<b>5,934.0</b>	<b>6,076.3</b>	<b>6,226.0</b>	<b>6,370.2</b>	<b>6,524.0</b>	<b>6,691.8</b>	<b>6,843.1</b>	<b>6,983.8</b>
<b>Surplus/(Deficit) before PFD</b>	<b>787.1</b>	<b>609.6</b>	<b>603.1</b>	<b>533.3</b>	<b>456.8</b>	<b>446.6</b>	<b>582.8</b>	<b>658.0</b>	<b>728.5</b>	<b>883.2</b>	<b>875.4</b>
<b>PFD Appropriation</b>	<b>914.3</b>	<b>908.6</b>	<b>943.0</b>	<b>978.5</b>	<b>955.0</b>	<b>977.8</b>	<b>1,052.5</b>	<b>1,120.1</b>	<b>1,178.6</b>	<b>1,210.7</b>	<b>1,187.4</b>
<b>Per Person</b>	<b>\$ 1,702</b>	<b>\$ 1,355</b>	<b>\$ 1,412</b>	<b>\$ 1,464</b>	<b>\$ 1,425</b>	<b>\$ 1,459</b>	<b>\$ 1,573</b>	<b>\$ 1,675</b>	<b>\$ 1,764</b>	<b>\$ 1,812</b>	<b>\$ 1,779</b>
<b>Pre-Transfer Surplus/(Deficit)</b>	<b>(127.2)</b>	<b>(299.1)</b>	<b>(339.9)</b>	<b>(445.1)</b>	<b>(498.2)</b>	<b>(531.2)</b>	<b>(469.7)</b>	<b>(462.2)</b>	<b>(450.1)</b>	<b>(327.5)</b>	<b>(312.0)</b>
Fund Transfers	4.3	6.6									
Net Savings Deposit/(Draw)	(131.5)	(305.7)	(339.9)	(445.1)	(498.2)	(531.2)	(469.7)	(462.2)	(70.7)	(35.8)	(35.2)
CBR/SBR Ending Balance	3,007.0	2,858.0	2,619.1	2,266.1	1,848.7	1,385.3	970.4	550.7	515.8	515.2	515.2
Remaining Gap after CBR/SBR	-	-	-	-	-	-	-	-	(379.5)	(291.8)	(276.7)

**Pictured above:** Projections for the size of the dividend using the dividend formula in HB 114.



**Pictured Above:** Projected UGF Budget and Revenue using this new formula until FY 35.

# PROJECTED BUDGET AND REVENUE OUTLOOK





# THANK YOU FOR CONSIDERING HB 114

Feel free to reach out to my office to continue the conversation!

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