

# Memo

To: Senator Lyman Hoffman, Co-Chair  
Senator Donny Olson, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senate Finance Committee  
Alaska State Legislature

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



Date: March 26, 2025

Re: APFC Follow-Up to Committee Questions on March 24, 2025

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Thank you for the opportunity to address the Senate Finance Committee regarding the benefits and impacts of establishing a constitutional single-fund endowment with a percent-of-market-value (POMV) draw methodology for the Permanent Fund, as outlined in SJR14.

Below is the follow-up response to a question posed by committee members:

- ***If the Constitution is amended to establish a maximum 5% POMV draw from the Permanent Fund, what would be required to change that percentage?***

Should the Legislature want to draw/appropriate **less than 5%**

- The constitutional amendment, as brought forth in SJR14 version A, is drafted to allow for an annual appropriation 'that is not more than' 5%, so in any year, the Legislature could decide to draw less than 5%.

Should the Legislature want to draw/appropriate **more than 5%**

- The only legal manner to override a constitutional provision in this context would be through another constitutional provision.
- To provide for a draw exceeding 5%, the Legislature would have to adopt a resolution to amend the Alaska Constitution with the requisite vote from both bodies and then Alaska voters would have to approve this proposed amendment to the Constitution.

As always, we look forward to working with you and your staff. Please contact us if you would like additional information.

You can contact me directly at [dmitchell@apfc.org](mailto:dmitchell@apfc.org) or Paulyn Swanson, Director of Communications, via email at [pswanson@apfc.org](mailto:pswanson@apfc.org) or at 907-500-2476.