



THE STATE  
*of* **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Revenue

### COMMISSIONER'S OFFICE

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February 9, 2026

The Honorable Andy Josephson  
House Finance Committee, Co-Chair  
Alaska State Legislature  
State Capitol, Room 505  
Juneau, AK 99801

The Honorable Neal Foster  
House Finance Committee, Co-Chair  
Alaska State Legislature  
State Capitol, Room 511  
Juneau, AK 99801

The Honorable Calvin Schrage  
House Finance Committee, Co-Chair  
Alaska State Legislature  
State Capitol, Room 410  
Juneau, AK 99801

Dear Co-Chairs Josephson, Foster, and Schrage,

The purpose of this letter is to provide you with responses to the questions asked of the Department of Revenue (DOR) regarding the Fall 2025 forecast presentation to the House Finance Committee on January 22, 2026. Please see the questions in italics and our responses immediately below the questions.

***1. How much of the investment earnings go to fund overhead? In percentage and dollar terms.***

The State Treasury has \$9.1 billion Assets Under Management (AUM) at June 30, 2025. The total cost is calculated at 4.4 basis points (0.044 percent) of AUM. The earnings for FY2025 equaled \$582 million, with total costs for FY2025 at \$4 million. Additional information can be found on Treasury's website: <https://treasury.dor.alaska.gov/home/investments>

As for the investment of the Permanent Fund, for FY2025 the Fund generated:

- \$5.9 billion of statutory net income, realized earnings that were deposited to the Earnings Reserve Account and available for legislative appropriation
- \$7.8 billion of accounting net income (based on Generally Accepted Accounting Principles [GAAP], which includes realized and unrealized gains)

For FY2025, total investment management fees were \$519.6 million, or 60 basis points (0.60 percent) of the \$86.8 billion in assets under management as of June 30, 2025, including assets for the Alaska Mental Health Trust Authority and the Power Cost Equalization Endowment Fund.

For FY2025, total performance fees were \$371.1 million, or 43 basis points (0.43 percent) of the \$86.8 billion in assets under management as of June 30, 2025. Performance fees, also referred to as profit sharing, reflect a results-based structure. These fees are paid only when external managers generate returns that exceed established benchmarks. The distinction from management fees is significant, as higher performance fees indicate that the Fund has delivered returns well above expectations.

Information on investment management fees for the Permanent Fund's portfolio is available quarterly on [apfc.org](http://apfc.org) and is also published in [the annual report](#).

**2. *What would the FY2026 Oil Price be if we calculated it today? Are we on track to hit the price point that was included in the presentation?***

Average Alaska North Slope (ANS) oil prices have been tracking very close to the Fall 2025 forecast. As of January 27, 2026, if the price forecast were updated today, the forecast would be about \$66.00 per barrel for FY2026. This estimate incorporates actual data for the fiscal year-to-date plus updated futures market prices for the remainder of the fiscal year and would represent a slight increase from the official Fall 2025 forecast of \$65.48 per barrel.

**3. *How much UGF revenue is derived from the mining of hard rock minerals?***

The following table presents estimated Unrestricted General Fund (UGF) revenue from mining for FY2025 as well as the Fall 2025 forecast for FY2026 and FY2027. Mining brought in \$75.8 million of UGF in FY2025 and is forecasted to generate \$81.9 million in FY2026 and \$119.8 million in FY2027.

Note, DOR does not separately track hard rock minerals compared to other mining related revenues, such as coal or sand and gravel. However, qualitatively, the vast majority of these revenues are related to hard rock mining.

Also note, these revenues represent only the UGF contribution as requested. There are additional mining related revenues that are considered restricted revenues, including mining related program receipts and a share of royalties deposited to the Permanent Fund and Public School Trust Fund. These restricted revenues were a total of \$16.7 million in FY2025 and are estimated to be \$22.5 million in FY2026 and \$24.7 million in FY2027.

Mining Unrestricted Revenues (\$ million)			
	History	Forecast	
	FY 2025	FY 2026	FY 2027
<b>Unrestricted Revenue</b>			
Other Tax: Mining License Tax	\$43.3	\$42.7	\$62.4
Mining Rents and Royalties (General Fund)	\$3.0	\$4.9	\$6.6
Corporate Income Tax	\$29.5	\$34.3	\$50.8
<b>Total Mining Unrestricted Revenue</b>	<b>\$75.8</b>	<b>\$81.9</b>	<b>\$119.8</b>

Please let me know if I can be of further assistance.

Sincerely,



Janelle L. Earls  
Acting Commissioner

cc: Jordan Shilling, Legislative Director, Office of the Governor  
Lacey Sanders, Director, Office of Management and Budget