

# ALASKA LEGISLATURE

## Representative Jonathan Kreiss-Tomkins

Angoon • Coffman Cove • Craig • Edna Bay • Elfin Cove • Game Creek • Hollis • Hoonah • Kake • Kasaan • Klawock • Kupreanof • Naukati  
Pelican • Petersburg • Point Baker • Port Alexander • Port Protection • Sitka • Tenakee Springs • Thorne Bay • Whale Pass

rep.jonathan.kreiss-tomkins@akleg.gov

Committees:  
State Affairs, Chair  
Judiciary  
Fisheries



Juneau, Alaska 99801 (Jan. – April)  
State Capitol, Room 411  
907.465.3732

Sitka, Alaska 99835 (May – Dec.)  
201 Katlian Street, Ste. 103  
907.747.4665

### Sponsor Statement

#### **HB 165 APPROP: EARNINGS RESERVE TO PERM FUND**

House Bill 165 transfers \$4.35 billion from the Alaska Permanent Fund's Earnings Reserve Account into the Permanent Fund's Principal to be protected in perpetuity for future generations of Alaskans. In straight-up terms, HB 165 sweeps a huge amount of cash off the table, protecting it forever as an asset for future Alaskans.

As a primer, the Alaska Permanent Fund has two separate accounts: the Principal (protected savings that can never be spent) and the Earnings Reserve Account (available to appropriation by a simple majority of legislators). By making a one-time \$4.35 billion transfer from the Earnings Reserve Account to the Principal, HB 165 helps protect the real value of the Permanent Fund from irresponsible or short-sighted spending.

The \$4.35 billion figure in HB 165 is informed by Department of Revenue models that forecast Permanent Fund earnings and market behavior through FY 2027. A \$4.35 billion transfer strikes a balance by leaving sufficient funds in the Earnings Reserve Account for PFDs and public services within the framework of law, while protecting excess funds in perpetuity in the Principal.

HB 165 addresses the urgent and bipartisan goal of protecting the real value of the Permanent Fund for future generations and protecting the Permanent Fund from the short-term political and fiscal pressures of Alaska's budget crisis.