

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version: HB 259  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB259-PF-PFD-1-31-22  
Title: PERMANENT FUND DIVIDEND; 25/75 POMV  
SPLIT  
Sponsor: SPOHNHOLZ  
Requester: (H)EDU

Department: Permanent Fund  
Appropriation: Permanent Fund Dividends  
Allocation: Permanent Fund Dividend Fund  
OMB Component Number: 2616

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates					
			FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous			900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0	
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>900,000.0</b>	<b>952,000.0</b>	<b>1,004,750.0</b>	<b>1,064,250.0</b>	<b>1,086,250.0</b>	

**Fund Source (Operating Only)**

1041 PF ERA (UGF)			900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>900,000.0</b>	<b>952,000.0</b>	<b>1,004,750.0</b>	<b>1,064,250.0</b>	<b>1,086,250.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2022) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2023) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version/comments:**

Initial version.

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Division: <u>Office of Management and Budget</u>	Date: <u>10/11/2021 03:00 PM</u>
Approved By: <u>Neil Steininger, Director</u>	Date: <u>10/11/21</u>
Agency: <u>Office of Management and Budget</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2022 LEGISLATIVE SESSION

BILL NO. HB259

**Analysis**

This legislation changes the amount calculated for the appropriation for the payment of permanent fund dividends to 25% of the 5% percent of market value (POMV) draw from the Permanent Fund under AS 37.13.140(b).

This legislation takes effect in fiscal year 2024. Under the calculation proposed by this legislation, the fiscal year 2024 appropriation for permanent fund dividends is estimated to be \$900 million, equating to an estimated dividend of \$1,338 for eligible recipients. The table below shows estimated permanent fund dividends under the proposed statutory calculation based on current Alaska Permanent Fund Corporation projections for the POMV draw.

<i>Dollars in millions</i>	FY24	FY25	FY26	FY27	FY28
POMV Draw	3,600	3,808	4,019	4,257	4,345
25% for PFD	900	952	1,005	1,064	1,086
PFD/Recipient ( <i>dollars</i> )	\$1,338	\$1,409	\$1,481	\$1,563	\$1,587

This legislation also authorizes the legislature to appropriation half of the remaining 75 percent of the POMV draw to the public education fund for the purpose of funding K12 education.