

Representative Ashley Carrick

Alaska State Legislature

In Juneau

Alaska State Capitol

Juneau, AK 99801

Phone: (907) 465-4976

Toll Free: (866) 465-4976



In Fairbanks

1292 Sadler Way Ste. 308

Fairbanks, AK 99701

Phone: (907) 452-6084

House District 35 – West Fairbanks

House Bill 266 Version B Sponsor Statement

“An Act relating to the Alaska permanent fund; relating to dividends for state residents; relating to the use of certain state income; relating to contributions from permanent fund dividends to the general and permanent funds; and providing for an effective date.”

Alaska has long suffered from a volatile and uncertain fiscal situation. Despite the efforts of many current and previous members of the Alaska Legislature, these issues persist. Resolving these long-standing fiscal issues and preserving Alaska’s economic future is a top priority. The resolution of this perennial issue will impact Alaska’s current and future generations.

In 2018, the legislature took a decisive step toward creating the components of a fiscal plan by passing SB 26, which established the mechanism to draw money from the Permanent Fund. This stabilized our revenue stream and helped fund government services. Since then, earnings from the Permanent Fund now account for most of our state’s revenue. Despite its passage, SB 26 was unfortunately incomplete, as it left us with conflicting statutes relating to the Permanent Fund and Permanent Fund Dividend (PFD) program. Since then, the Legislature has continued to be deadlocked in prolonged budget battles over the size of the PFD as well as the amount to draw annually to balance our state budget.

HB266 would provide a strong stabilizing mechanism for our fiscal situation, allowing Alaskans and their government to better resolve our persistent fiscal issues by first resolving the conflicting statutes surrounding the Permanent Fund and annual PFD distributions. This bill designates where the money for the dividend program comes from. More specifically, this bill would decouple the dividend from the Permanent Fund, instead designating all revenue from royalties on mineral leases that is not statutorily designated, or constitutionally dedicated for other purposes toward annual dividend payments. This money would then be utilized for yearly dividends. This not only gives Alaskans a direct stake in responsible resource development for our state, it also reduces our reliance on the volatile revenue stream from resource development by instead having its resource revenue go directly into Alaskans pockets.

Different versions of this dividend reform concept have been introduced as legislation over the years, most recently as HB 202 in 2021. Additionally, this bill adds the concept from HB 45 and gives Alaskans the option to donate their dividend to the general fund or the permanent fund if they choose.

Alaska is at a crossroads. We need to fix our persistent fiscal issues and stop kicking the can down the road. I hope you will join me in taking a decisive step in the right direction toward resolving our fiscal issues by supporting HB 266.

Staff Contact: Stuart Relay, stuart.relay@akleg.gov, 907-452-6084

Representative.Ashley.Carrick@akleg.gov