

AN ALTERNATIVE AND SUSTAINABLE DIVIDEND HB 266

Rep Ashley Carrick, Bill Sponsor

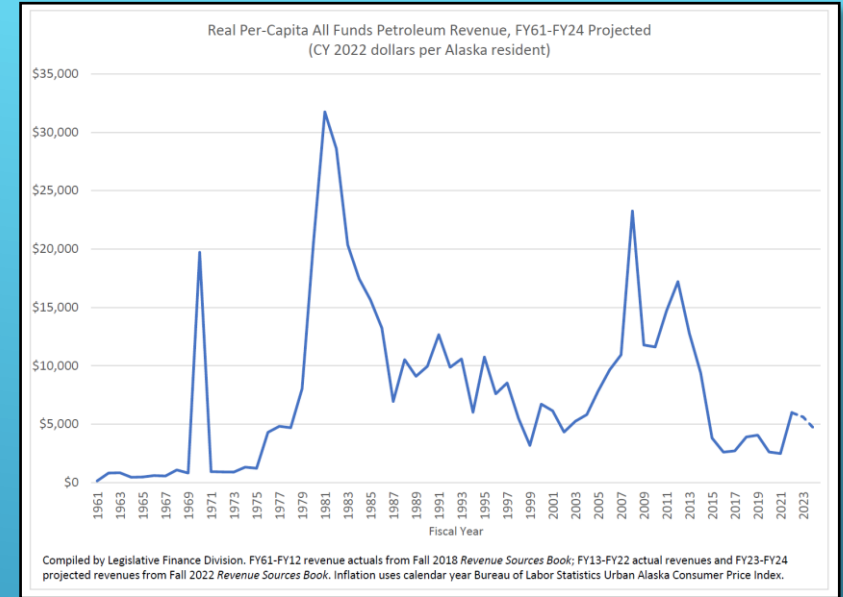
Stuart Relay, Staff

Proudly Serving House District 35, West Fairbanks

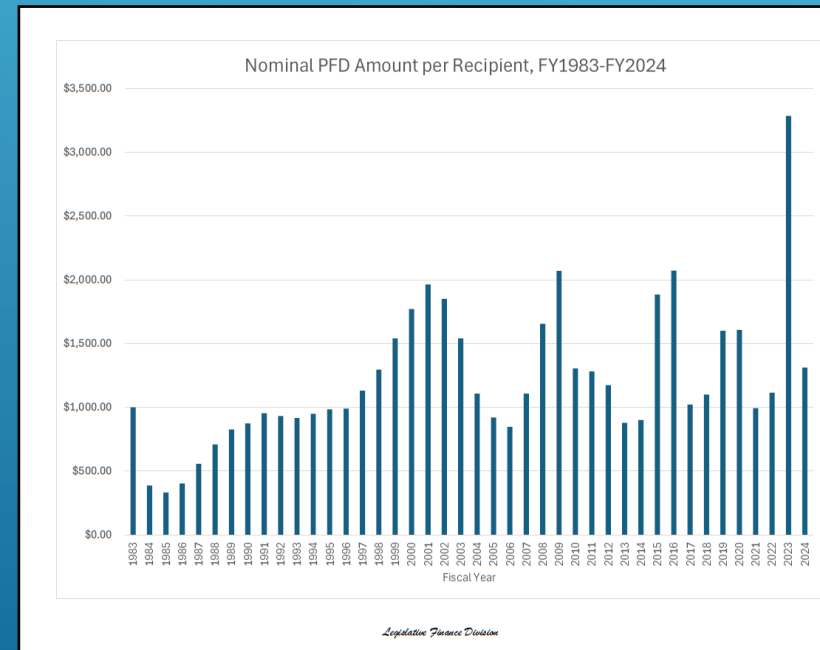


- The current 1982 statutory formula, and all proposed POMV formulas, are based off the performance of the permanent fund itself rather than the direct performance of resource development.

Pictured right:
Per-capita petroleum revenue FY 61 - 24 (projected)

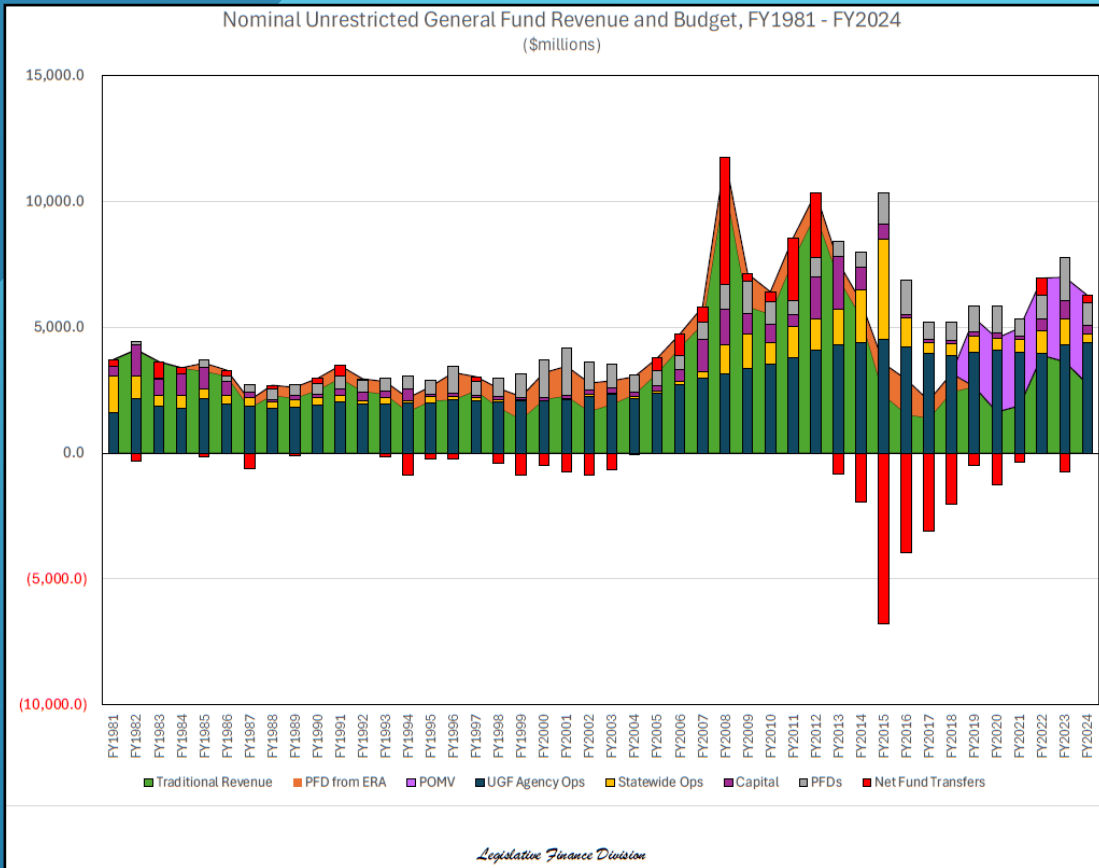


Pictured below:
Nominal PFD size per recipient, FY 83-24



THE CURRENT DIVIDEND PROGRAM

Source, Legislative Finance Division



Pictured above: The size of Alaska's budgets since FY 1981

Fiscal Year	SBR Draw	CBR Draw	Total Reserve Draws
2013	776.4	-	776.4
2014	1,920.4	-	1,920.4
2015	2,503.1	3,000.0	5,503.1
2016	-	3,617.9	3,617.9
2017	20.0	3,033.9	3,053.9
2018	95.6	1,866.1	1,961.6
2019	-	504.5	504.5
2020	172.4	1,221.5	1,393.9
2021	-	919.8	919.8
2022	410.7	-	410.7
2023	350.3	-	350.3
2024*	-	-	-
Total	6,248.8	14,163.7	19,636.1

*Projected

Pictured above: The amount of money withdrawn from state savings accounts since FY 14.

OUR CURRENT FISCAL SITUATION

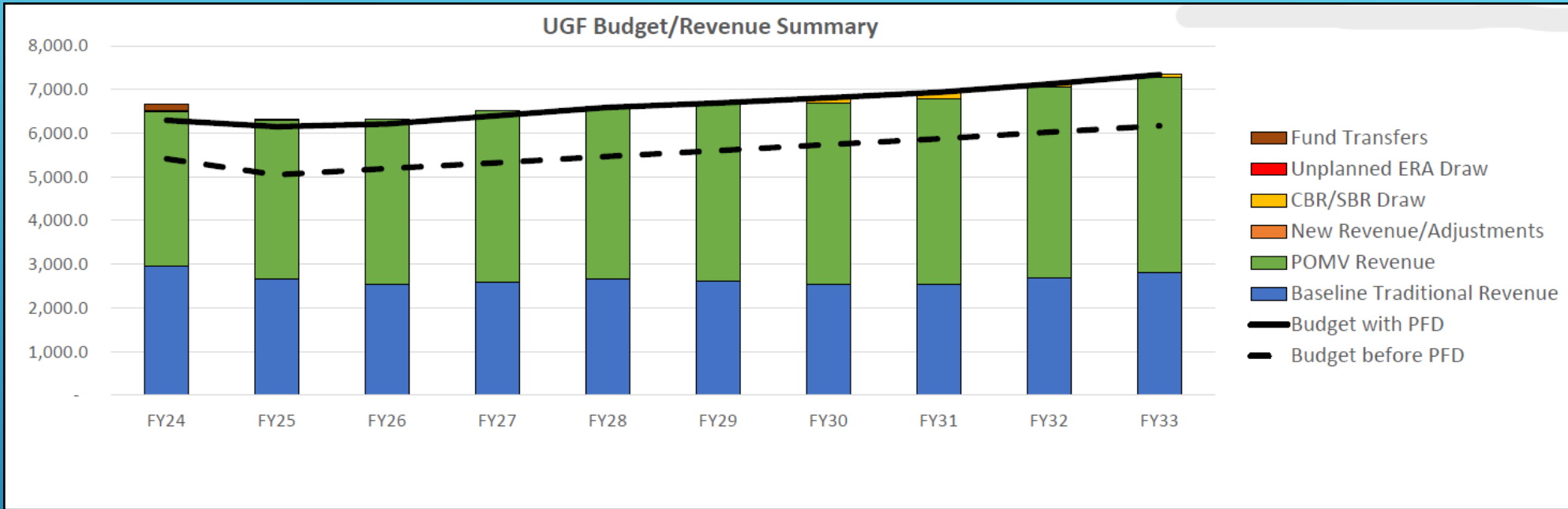
Source, Legislative Finance Division

- Per this fiscal model, the size of the Dividend for FY 2025 would be \$1822!

PROJECTED ROYALTY DIVIDEND SIZE

Legislative Finance Division Fiscal Model										
Scenario Summary 3/2/24		FY25 Governor's Amended Budget with 2.5% annual agency operations and capital growth FY26+; \$50m annual supplementals; DOR Fall 2023 Revenue Forecast; 69% of total royalties to PFD FY25+								
Revenue Summary	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Baseline Traditional Revenue	2,959.5	2,651.2	2,542.3	2,585.8	2,659.3	2,609.2	2,548.2	2,547.5	2,687.5	2,809.9
POMV Revenue	3,526.0	3,657.2	3,785.7	3,942.8	3,954.9	4,041.7	4,136.8	4,246.3	4,359.1	4,476.0
New Revenue/Adjustments	41.5	-	-	-	-	-	-	-	-	-
Total Revenue	6,527.0	6,308.4	6,328.0	6,528.6	6,614.2	6,650.9	6,685.0	6,793.8	7,046.6	7,285.9
Budget Summary	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
LFD Budget Baseline	5,306.9	5,105.9	5,246.4	5,381.5	5,527.3	5,660.5	5,799.8	5,934.9	6,084.4	6,236.8
Scenario Changes	105.4	(54.9)	(56.3)	(57.7)	(59.1)	(60.6)	(62.1)	(63.7)	(65.3)	(66.8)
Total Budget before PFD	5,412.3	5,051.0	5,190.1	5,323.8	5,468.2	5,599.9	5,737.7	5,871.2	6,019.1	6,170.0
Surplus/(Deficit) before PFD	1,114.7	1,257.4	1,137.8	1,204.8	1,146.0	1,051.0	947.3	922.5	1,027.5	1,115.9
PFD Appropriation	881.5	1,101.5	1,022.5	1,073.7	1,118.9	1,091.2	1,071.6	1,065.0	1,104.6	1,173.6
Per Person	\$ 1,312	\$ 1,822	\$ 1,516	\$ 1,594	\$ 1,658	\$ 1,610	\$ 1,576	\$ 1,563	\$ 1,620	\$ 1,721
Pre-Transfer Surplus/(Deficit)	233.2	155.9	115.3	131.1	27.1	(40.2)	(124.4)	(142.5)	(77.1)	(57.7)
Fund Transfers	123.8	5.3								
Net Savings Deposit/(Draw)	109.4	150.6	150.6	115.3	131.1	27.1	(40.2)	(124.4)	(142.5)	(57.7)
CBR/SBR Ending Balance	3,205.8	3,466.9	3,699.5	3,954.4	4,110.9	4,203.5	4,213.3	4,205.0	4,263.7	4,344.8
Remaining Gap after CBR/SBR	-	-	-	-	-	-	-	-	-	-

Pictured above: Projections for the size of the dividend using this new formula.



Pictured Above: Projected UGF Budget and Revenue using this new formula until FY 33.

PROJECTED BUDGET AND REVENUE OUTLOOK

THANK YOU FOR CONSIDERING HB 266

Feel free to reach out to my office to continue the conversation!

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