Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	SB 26
Fiscal Note Number:	6
(S) Publish Date:	1/18/2017

Identifier: DOR-PF Earnings-1-17-17
Title: PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: GOVERNOR

Department: Permanent Fund ERA Appropriations
Appropriation: Permanent Fund ERA
Allocation: To General Fund
OMB Component Number: 3121

Expenditures/Revenues

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

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2018**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Fund Source (Operating Only)							
1004 Gen Fund (UGF)		695,650.0	695,650.0	728,800.0	750,400.0	764,200.0	780,100.0
1041 PF ERA (UGF)		(695,650.0)	(695,650.0)	(728,800.0)	(750,400.0)	(764,200.0)	(780,100.0)
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Positions							
Full-time							
Part-time							
Temporary							
Change in Revenues							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(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If yes, by what date are the regulations to be adopted, amended or repealed?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:

Not applicable; initial version.

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Division: Commissioner's Office — Date: 01/17/2017 10:45 AM
Approved By: Randall Hoffbeck, Commissioner — Date: 01/17/17
Agency: Department of Revenue

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

This legislation would modify how dividends are calculated and funded. The annual Permanent Fund Dividend to eligible Alaskans would be funded by appropriation from the General Fund, instead of by appropriation from the Earnings Reserve. Therefore, a portion of the additional General Fund revenue would be used to pay annual dividends. The appropriation for dividends would be based on a combination of 20% of the transfer from the Permanent Fund to the General Fund, plus 20% of the value of mineral royalties received during the year. Over the time horizon of this fiscal note, the expected appropriation for dividends under the stated assumptions would range from $706 million to $844 million annually.