

ALASKA LEGISLATURE

2084

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

235



Alaska Commission on Aging

Resolution 99-6

In support of SB 73: An act relating to assisted living homes

Whereas assisted living is a young and developing form of small business that has the potential to assist Alaskans statewide to receive residential long-term care in home-like settings in their home communities; and

Whereas the need for assisted living services increases annually as Alaska's statewide community of older Alaskans age 65+ continues to grow rapidly and is projected to reach 80,927 by 2015; and

Whereas the need to sustain and increase the quality and quantity of assisted living in our state is directly linked to the financial viability of Alaska's young assisted living industry; and

Whereas the State of Alaska turns to assisted living homes to provide room, board, and care to vulnerable adult Alaskans receiving assistance under the State's General Relief program; and

Whereas the State of Alaska has not increased the rate of pay for assisted living services under the General Relief program since 1983; and

Whereas the *Alaska Rate Study Report* of December, 1998, a study of assisted living economics, found that a reasonable base rate for general relief assisted living payments is \$72.26/day; and

Whereas SB 73 proposes an increase in the general relief assisted living payment rate towards achieving this recommended amount,

Now therefore the Alaska Commission on Aging strongly encourages the Twenty-First Alaska Legislature to pass SB 73.

Adopted this 23rd day of March, 1999.

A handwritten signature in cursive script that reads "Alaire E. Stanton".

Alaire Stanton
Chair

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Walter Majoros Subject/Bill No: 73
 Co./Dept./Title: Exec Director Alaska Mental Health Board Phone: 465-3072
 Address: 431 N Franklin Juneau ~~998~~ Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Sharon Clark Subject/Bill No: SB 73
 Co./Dept./Title: Leg. Aide Sen. Miller Phone: 3762
 Address: Juneau Zip: _____

Do you wish to testify? Yes No Respond To Questions

I needed (Senator Miller will not be in Committee)

NAME: Karl Brimmer Subject/Bill No: 73
 Co./Dept./Title: Director Div. Mental Health Phone: _____
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Maria Darlin Subject/Bill No: 73
 Co./Dept./Title: GAAP Phone: 586-3637
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Hilson Elg Subject/Bill No: SB73

Co./Dept./Title: Dep. Comm. -- DOA Phone: 465-2200

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Jane Demmert Subject/Bill No: SB73

Co./Dept./Title: AK Comm on Aging Phone: 405-3250

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions



Teleconference Participants

TCN: 10522

Participant Lists

View List for

ALL

Both

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1

Name: Mr. Jack Mylius

Phone:

Address:

Affiliation: DNR

City /St /Zip:

Type: Testifier

Bill: SB 69 DISPOSALS OF STATE LAND

2

Name: Ms. Leslee Orebaugh

Phone:

Address:

Affiliation: AK Caregiv

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

2

Name: Ms. Irene Payton

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Alison Elger Subject/Bill No: SB 73
Co./Dept./Title: Dep. Comm DOA Phone: 465-2200
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Walter Majoros Subject/Bill No: SB 73
Co./Dept./Title: Alaska Mental Health Board Phone: 465-3072
Address: 431 N Franklin Juneau Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Sharon Clark Subject/Bill No: SB 73
Co./Dept./Title: Leg. Aide Sen. Miller Phone: 3762
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

if needed

NAME: Jane Demmert Subject/Bill No: SB 73
Co./Dept./Title: AK Common Aquap / DOA Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions



Teleconference Participants

TCN: 10470

Participant Lists

View List for

Participants

Unidentified Testifiers: Unidentified Observers:

new list you

ANCHORAGE (ANC)

1 Name: Mr. Bob Lohr Phone:
 Address: Affiliation: Div Insur
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

2 Name: Mr. Gary Ward Ans ?s Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

3 Name: Mr. Jerome Selby Ans ?s Phone:
 Address: Affiliation: Prov HS
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

4 Name: Mr. Dwight Becker Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

5 Name: Ms. Kay Burrows Ans ?s Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

6 Name: Ms. Julia Coster Ans ?s Phone:
 Address: Affiliation: A.G. offic
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

7 Name: Ms. Signe Andersen Ans ?s Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

*also: UAF dropped offline
 Helen Jamison, AMA, Chicago, is
 online for SB 256*



Teleconference Participants

TCN: 10470

Participant Lists

View List for

FBX

Testifiers

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane

Phone:

Address: AK CAREGIVERS ASSN

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

2

Name: Mr. Gary Schwartz

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

*also: Ann Ringstad - UAF
R. Feinstein - Washington DC - SB256*



Teleconference Participants

TCN: 10470

Participant Lists

View List for

FBX

Testifiers

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

** new list for*

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane
Address: AK CAREGIVERS ASSN
City /St /Zip:
Bill: SB 73: ASSISTED LIVING FACILITIES

Phone:
Affiliation:
Type: Testifier

2

Name: Mr. Gary Schwartz
Address:
City /St /Zip:
Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

Phone:
Affiliation:
Type: Testifier

3

Name: Mr. Michael Carroll
Address:
City /St /Zip:
Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

Phone:
Affiliation:
Type: Testifier

*also: Paul Smith from AK, health care
is online*



Teleconference Participants

TCN: 10470

Participant Lists

View List for

ANC ▼

Testifiers ▼

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1 Name:Mr. Bob Lohr Phone:
 Address: Affiliation: Div Insur
 City /St /Zip: Type: Testifier
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2 Name:Mr. Gary Ward Ans ?s Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

3 Name:Mr. Jerome Selby Ans ?s Phone:
 Address: Affiliation: Prov HS
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

4 Name:Mr. Dwight Becker Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Alison Elger Subject/Bill No: SB 73
Co./Dept./Title: Dep Comm / DOA Phone: 465-2200
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Elmer Lindstrom Subject/Bill No: _____
Co./Dept./Title: Spec Asst / DHSS Phone: 465-1613
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Gina Macdonald Subject/Bill No: _____
Co./Dept./Title: Special Projects Coord. DHHS Phone: 465-4852
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Sen Miller Subject/Bill No: SB 73
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Mike Miller Subject/Bill No: 73

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Gina Macdonald Subject/Bill No: _____

Co./Dept./Title: DHSS - DMHDD Phone: 465-4852

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

04/08/99
18:08:52

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
PARTICIPANT LIST (TESTIFIERS ONLY)
TCN:90544 SCHEDULED FOR:04/08/99 18:00 TO 20:00
PUBLIC HEARING SENATE FINANCE

LTN1150
BY:JNU
FOR:ALL

LOCATION: ANCHORAGE

SB 73		KAY	BURROWS	TESTIFY
SB 73		JEFF	JESSEE	TESTIFY

LOCATION: FAIRBANKS

SB 73	MS.	MONTA FAYE	LANE	AK CAREGIVERS	TESTIFY
SB 73	MR.	LESTER	WESTLING		TESTIFY
SB 73	MS.	CATHY	WESTLING		TESTIFY

SB

76

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/17/99

FURTHER: 5/14/99

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 14 May 1999

Finance Committee considered

SENATE BILL NO. 76

"An Act authorizing an advisory vote on whether appropriations of income from the permanent fund should be restricted; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 76 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill: same title
- new title
- House Bill:**
- same title
- technical title
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<u>Cony held</u>	→	<u>Do Pass, If Amended</u>			✓
		<u>Do Pass</u>	✓		
		<u>Do Pass</u>	✓		
		<u>Do Pass</u>	X		
		<u>Do Pass</u>			✓
		<u>Do Pass</u>			✓
Co-Chair: _____		Co-Chair: <u>Johnson</u>			✓
Co-Chair: <u>Paul Powell</u>		Co-Chair: _____			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
Elections	7/26/99		839.0

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

5/14/99
BILL NO. SB76

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Revision Date/ 2/26/99 Dept. Affected Office of the Governor
 Title Advisory Vote on appropriation of income from BRU Elective Operations
the permanent fund Component Elections
 Sponsor Senator Tim Kelly
 Requester Senate Finance Committee Component Serial No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	150.0					
Travel						
Contractual	660.0					
Supplies	29.0					
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	839.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	839.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	839.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary	25					

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes the election will be conducted in person. Contractual services includes: ballot printing (94.0); election boards (334.0) advertising (22.0) shipping and postage (131.0); polling place rental and set-up (21.0); forms (55.0) and microfilming (3.0).

Prepared by Gail Fenumiai Phone 465-3935
 Division Division of Elections Date/Time 2/26/99 10:04 AM
 Approved by C. Lt. Governor Fran Ulmer Date 2/26/99
 Agency Office of the Lieutenant Governor

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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SENATE FINANCE
COMMITTEE

Amendment Number: 1
Bill Number: CS SB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

A M E N D M E N T

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by Senator Adams

Page 2, line 15, after "account." add a new sentence:

Permanent fund dividends in 2001 will be approximately \$1250, a reduction which will yield approximately \$254 million in additional revenue available for government operations.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76
Amendment	#1
Motion	adopt
<u>Motion by</u>	Adams
<u>Objection</u>	
<u>Objection by</u>	Phillips
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	N
Senator Dave Donley	N
Senator Loren Leman	N
Senator Al Adams	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 1
Nay	0 8
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE
COMMITTEE

Amendment Number: 2
Bill Number: CSSB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

AMENDMENT

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by: Senator Adams

Page 2, line 22,

(5) New Revenues: Use at least \$100,000,000 in new revenues or taxes.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#2
Motion:	adopt
<u>Motion by</u>	Adams
<u>Objection</u>	
<u>Objection by</u>	Parnell
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Dave Donley	N
Senator Loren Leman	N
Senator Al Adams	N
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 1
Nay	0 8
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE
COMMITTEE
Amendment Number: 3
Bill Number: CS SB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

A M E N D M E N T

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by: Senator Adams

Page 3, after line 10, insert:

"Plan C" Description

Summary of Plan: Plan C expands the authorized uses of the permanent fund earnings reserve to include funding for education, in addition to paying permanent fund dividends and inflation proofing the principal of the permanent fund. No income taxes or budget reductions are required. In more detail, the plan provides:

- (1) Inflation proofing: The permanent fund earnings reserve shall be used to inflation-proof the principal of the permanent fund.
- (2) Dividends: The permanent fund earnings reserve shall be used to pay dividends to Alaskans under the current method used to calculate dividends.
- (3) Education: The permanent fund earnings reserve will provide approximately \$900 for the purpose of funding primary and secondary grades and the University of Alaska.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#3
Motion:	adopt
<u>Motion by</u>	Adams
<u>Objection</u>	
<u>Objection by</u>	Torgerson
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Randy Phillips	N
Senator Dave Donley	N
Senator Loren Leman	N
Senator Al Adams	N
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 1
Nay	0 8
Absent	0
<u>MOTION</u>	
FAIL	

SENATE FINANCE
COMMITTEE
Amendment Number: 4
Bill Number: SB 76
Sponsor: Phillips Date: 5/13/99
Logged In By: Mindy

PULLED
1-LS0490\M
BWC
5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

Page 1, line 8 through page 4, delete all material and replace with:

QUESTION

Preamble: Alaska's declining oil production and erratic world oil prices constitutes an unsustainable state budget system. The legislature and governor seek the public's input in choosing a long-term budget plan. Please select the plan you believe Alaska should implement for a balanced budget.

Plan A

Summary of Plan A: Plan A will have further spending reductions. Dividends will be a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions**

Continue state general fund budget reductions of at least \$100 million over the next three fiscal years including 33 ½ million in FY'01, 33 1/2 million in FY'02, and 33 1/2 million in FY'03.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principle of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then spends remaining funds in the Alaska Permanent Fund Earnings Reserve Account for public services by state government.

(5) **New Revenues**

Use at least \$100 million in new revenues from resource development (NPRA, ANWR). No new broad-based taxes.

Plan B

Summary of Plan B: Plan B will have no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principle of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation. Projected to be XXXX in 2001 and XXXX in 2010.

(4) **Permanent Fund Earnings Reserve**

Transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund. Spend the Constitutional Budget Reserve Fund earnings for public services by state government.

(5) **Income Tax**

Implement a personal income tax to all wage earners equal to 31% of the federal income tax, collecting \$350 million.

Please select one: Plan A Plan B

SENATE FINANCE
COMMITTEE

Amendment Number: 5
Bill Number: CS SB 76(FIN)
Sponsor: Phillips Date: 5/14/99
Logged In By: Mindy

1-LS0490\M
BWC
5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 1, line 8, delete preamble and replace with:

QUESTION

Preamble: Alaska's declining oil production and erratic world oil prices produce an unstable state budget system. The legislature and governor seek the public's input in ^{Plan} choosing a long-term budget plan. Please select the plan you believe Alaska should implement for a balanced budget.

Retain page 1 line 12 - please mark yes or no

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76
Amendment	#5
Motion	AMEND
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Al Adams	
Senator Gary Wilken	
Senator Pete Kelly	
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Lemar	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	Withdrawn

w/drawn

& not re-offered

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76
Amendment	# 5
Motion	adopt
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Loren Leman	
Senator Al Adams	
Senator Gary Wilken	
Senator Pete Kelly	
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	Withdrawn & not re-offered

w/ drawn

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions/Spending Limits**

Continue state general fund budget reductions of at least \$100 million over the next three fiscal years.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation.

(5) **New Revenues**

Use at least \$100 million in new revenues. No new broad-based taxes.

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE
COMMITTEE

Amendment Number: 6
Bill Number: CS SB 76(FIN) LS0490M
Sponsor: Phillips Date: 5/14/99 BWC
Logged In By: Mindy 5/13/1999

Amendment Showing all proposed amendments
By: Senator Phillips (13)

Offered in Senate Finance Committee

To: CS SB 76(FIN)

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A (1) & (3) Withdrawn same as (5)

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(9)

- (5) (1) **Spending Reductions/Spending Limits** 70 (b)
Continue state general fund budget reductions of at least \$100 million over the next two (b) three-fiscal years. and enact a spending limit (2)
- (2) **Permanent Fund** that is placed before the voters as an effective constitutional spending limit (4)
Guarantee the Alaska Permanent Fund is inflation-protected to protect the value of the principal of the fund for all Alaskans, including future generations.
- (3) **Permanent Fund Dividends**
Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010. (10)
- (4) **Permanent Fund Earnings Reserve**
Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation. state government services (11)
- (5) **New Revenues**
(7) (8) NO INCOME TAX
Use at least \$100 million in new revenues. No new broad-based taxes. instead of implementing (7)

(12) conceptual

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#6
Motion:	adpt as amended
<u>Motion by</u>	Kelly
<u>Objection</u>	
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Loren Leman	Y
Senator Al Adams	Y
Senator Gary Wilken	Y
Senator Pete Kelly	Y
Senator Lyda Green	Y
Senator Randy Phillips	Y
Senator Dave Donley	Y
Co-Chair Sean Parnell	Y
Co-Chair John Torgerson	Y
<u>Tally</u>	
Yea	0 5
Nay	0 4
Absent	0
<u>MOTION</u>	Pass

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76	
Amendment	#6 (2)	
Motion	amend	
<u>Motion by</u>	Phillips	
<u>Objection</u>		
<u>Objection by</u>	Kelly	
<u>Removed</u>	J	
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Vote</u>	
Senator Lyda Green	N	
Senator Randy Phillips	N	
Senator Dave Donley	N	
Senator Loren Leman	N	
Senator Al Adams	N	
Senator Gary Wilken	N	
Senator Pete Kelly	N	
Co-Chair Sean Parnell	N	
Co-Chair John Torgerson	N	
<u>Tally</u>		
Yea	0	1
Nay	0	8
Absent	0	
<u>MOTION</u>	Fail	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#6
Motion:	amend (4)
<u>Motion by</u>	Sen Phillips
Objection	
<u>Objection by</u>	Kelly
Removed	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Al Adams	N
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	Y
Senator Dave Donley	Y
Senator Loren Leman	N
Co-Chair Sean Parnell	Y
Co-Chair John Torgerson	Y
<u>Tally</u>	
Yea	0 4
Nay	0 5
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76	
Amendment:	* 6	
Motion:	amend (5)	
<u>Motion by</u>	Phillips	
<u>Objection</u>		
<u>Objection by</u>	Kelly	
<u>Removed</u>	J	
<u>Second Objection by</u>		
<u>Committee Member</u>		<u>Vote</u>
Senator Gary Wilken		
Senator Pete Kelly	N	
Senator Lyda Green	N	
Senator Randy Phillips	N	
Senator Dave Donley	N	
Senator Loren Leman	N	
Senator Al Adams	N	
Co-Chair Sean Parnell	N	
Co-Chair John Torgerson	N	
<u>Tally</u>		
Yea		0 3
Nay		0 6
Absent		0
<u>MOTION</u>	FAIL	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB76
Amendment	#6
Motion	amend (b)
<u>Motion by</u>	Wilken
<u>Objection</u>	
<u>Objection by</u>	Donley
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Pete Kelly	Y
Senator Lyda Green	Y
Senator Randy Phillips	Y
Senator Dave Donley	N
Senator Loren Leman	N
Senator Al Adams	N
Senator Gary Wilken	Y
Co-Chair Sean Parnell	Y
Co-Chair John Torgerson	Y
<u>Tally</u>	
Yea	0 6
Nay	0 3
Absent	0
<u>MOTION</u>	Adopt

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76	
Amendment:	#6	
Motion:	Amend (7)	
<u>Motion by</u>	Kelley	
<u>Objection</u>		
<u>Objection by</u>	Donley	
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>		<u>Vote</u>
Senator Al Adams	N	
Senator Gary Wilken	N	
Senator Pete Kelly	N	
Senator Lyda Green	N	
Senator Randy Phillips	N	
Senator Dave Donley	N	
Senator Loren Leman	N	
Co-Chair Sean Parnell	N	
Co-Chair John Torgerson	N	
<u>Tally</u>		
Yea	0	5
Nay	0	4
Absent	0	
<u>MOTION</u>	Accepted	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76	
Amendment:	#6	
Motion:	amend	(8)
<u>Motion by</u>	PH	
<u>Objection</u>		
<u>Objection by</u>		
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Vote</u>	
Senator Dave Donley	N	
Senator Loren Leman	N	
Senator Al Adams	N	
Senator Gary Wilken	N	
Senator Pete Kelly	N	
Senator Lyda Green	N	
Senator Randy Phillips	N	
Co-Chair Sean Parnell	N	
Co-Chair John Torgerson	N	
<u>Tally</u>		
Yea	0	2
Nay	0	7
Absent	0	1
<u>MOTION</u>	FAIL	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#6
Motion:	amend (9)
Motion by:	Kelly
Objection:	()
Objection by:	Phillips
Removed:	
Second Objection by	
<u>Committee Member</u>	<u>Vote</u>
Senator Loren Leman	N
Senator Al Adams	N
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	N
Senator Dave Donley	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 4
Nay	0 5
Absent	0
<u>MOTION</u>	
FAIL	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76	
Amendment	#6	
Motion	amend	(10)
<u>Motion by</u>	Wilken	
<u>Objection</u>		
<u>Objection by</u>	Donley	
<u>Removed</u>	J	
<u>Second Objection by</u>		
<u>Committee Member</u>		<u>Vote</u>
Senator Randy Phillips		N
Senator Dave Donley		N
Senator Loren Leman		N
Senator Al Adams		N
Senator Gary Wilken		N
Senator Pete Kelly		N
Senator Lyda Green		N
Co-Chair Sean Parnell		N
Co-Chair John Torgerson		Y
<u>Tally</u>		
Yea	0	5
Nay	0	4
Absent	0	
<u>MOTION</u>	Pass	

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number:	SB 76
Amendment:	#6
Motion:	amend (11)
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	Parnell
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Gary Wilken	N
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	N
Senator Dave Donley	N
Senator Loren Leman	N
Senator Al Adams	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 4
Nay	0 5
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76
Amendment	#6
Motion	Amend (12)
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	Parnell
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Pete Kelly	N
Senator Lyda Green	N
Senator Randy Phillips	N
Senator Dave Donley	N
Senator Loren Lemar	N
Senator Al Adams	N
Senator Gary Wilken	N
Co-Chair Sean Parnell	N
Co-Chair John Torgerson	N
<u>Tally</u>	
Yea	0 3
Nay	0 6
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 70
Amendment	#6
Motion	remove name from amendment
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	Adams
<u>Removed</u>	X
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Leman	
Senator Al Adams	
Senator Gary Wilken	
Senator Pete Kelly	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	no obj

(1) 13

SENATE FINANCE
COMMITTEE

Amendment Number: 6 AS amended
Bill Number: CS SB 76(FIN) LS0490\M
Sponsor: Phillips Date: 5/14/99 BWC
Logged In By: Mindy 5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions/Spending Limits**

Continue state general fund budget reductions of at least \$100-million over the next ^{two} ~~three~~ fiscal years. 70

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. ~~These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.~~

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation.

(5) ~~New Revenues~~ **NO INCOME TAX**

Use at least \$100 million in new revenues, ~~No new broad-based taxes.~~

[↑]
instead of implementing

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE
COMMITTEE

Amendment Number: 7

Bill Number: CS SB 76 (FIN)

Sponsor: Phillips Date: 5/14/99

Logged In By: Mindy

1-LS0490M
BWC
5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Please select one:

Plan A

Plan B

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 76
Amendment	#7
Motion	adopt
<u>Motion by</u>	Phillips
<u>Objection</u>	
<u>Objection by</u>	Kelly
<u>Removed</u>	U
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Lyda Green	20-23-02
Senator Randy Phillips	20-23-02
Senator Dave Donley	20-23-02
Senator Loren Leman	20-23-02
Senator Al Adams	20-23-02
Senator Gary Wilken	20-23-02
Senator Pete Kelly	20-23-02
Co-Chair Sean Parnell	20-23-02
Co-Chair John Torgerson	20-23-02
<u>Tally</u>	
Yea	0 4
Nay	0 5
Absent	0
<u>MOTION</u>	FAIL

SENATE FINANCE
COMMITTEE

Leman

Amendment Number: 8

Bill Number: SB 76

1-LS0490\M

Sponsor: Leman Date: 5/14/99

Logged In By: Mindy

Amendment:

Delete all & replace with the following:

CS FOR SENATE BILL NO. 76(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS TIM KELLY, Mackie

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing an advisory vote on balanced budget plans; and providing
2 for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. At a special election to be held on September 14, 1999 in substantial
5 compliance with the election laws of the state, including absentee voting, the lieutenant
6 governor shall place before the qualified voters of the state a question advisory to the
7 legislature and the governor. The question shall appear on the ballot in the following form:

8 Q U E S T I O N

9 Preamble: The state treasury's reliance upon declining Alaska oil production
10 and volatile oil prices constitutes an unsustainable state budget system. The
11 legislature and governor seek the ^{Alaskans'} public's input in ^{selective} choosing a long-term ^{balanced} budget
12 plan. Please mark "yes" or "no" beside ^{the} one or both plans that you believe the
13 legislature and governor should proceed to implement ^{as a} balanced budget
14 plan.

1 "Plan A" Description

2 Summary of Plan A: This plan ^{proposes} ~~assumes~~ further spending reductions and
3 ^{that} ~~assumes~~ dividends will be guaranteed at a particular rate. This plan also
4 ^{proposes} ~~assumes~~ ^{personal} no income tax. In more detail, the plan would provide as follows:

5 (1) Spending Reductions/Spending Limit: Continue making state general
6 fund spending reductions of at least \$^{70,000,000}~~100,000,000~~ over the next ^{two} three
7 years and enact a ^{constitutional} spending limit.

8 (2) Permanent Fund: Ensure the Alaska permanent fund is inflation
9 proofed to protect the value of ^{its principal} ~~the corpus~~ for all Alaskans, including
10 future generations.

11 (3) Permanent Fund Dividends: Guarantee a dividend is paid to qualified
12 Alaska residents of at least \$1,700 in 1999 and \$1,700 in 2000, and
13 thereafter at a rate of 2.75 percent of the market value of the Alaska
14 permanent fund, including the Alaska permanent fund earnings reserve
15 account.

16 (4) Permanent Fund Earnings Reserve: After inflation proofing the Alaska
17 permanent fund and paying permanent fund dividends, use additional
18 funds in the Alaska permanent fund earnings reserve account to fund
19 ~~education, public safety, and transportation functions of~~ state
20 government. The constitutional budget reserve fund will be transferred
21 to the Alaska permanent fund earnings reserve account.

22 (5) New Revenues: ^{Collect} Use at least \$100,000,000 in new revenues. ~~Ass~~
23 ^{personal} income tax would not be enacted.

24 Plan A ~~Yes~~ []

Plan A ~~No~~ [2] [2]

25 "Plan B" Description

26 Summary of Plan: Plan B ^{proposes} ~~assumes~~ no further state spending reductions, ^{Further} ~~it~~ ^{proposes}
27 implementation of a personal income tax, and calculation of permanent fund
28 dividends under the current statutory method. In more detail, the plan would
29 provide as follows:

30 ^{New Revenues:} (4) ~~Income Tax:~~ Implement a personal income tax to collect \$350,000,000
31 in new revenues.

(1) Spending Reductions/Spending Limits
Make no further ~~state~~ general fund spending reductions no
New Text Underlined [DELETED TEXT BRACKETED]
enact a spending limit
constitutional

1
2
3
4
5
6
7
8
9
10
11

(2) Permanent Fund: Ensure the Alaska permanent fund is inflation proofed to protect the value of ^{its principal} the corpus for all Alaskans, including future generations.



(3)
4 Permanent Fund Earnings Reserve: Transfer \$4,000,000,000 from permanent fund earnings to the constitutional budget reserve fund, ^{in 2000, 2010 and 2020.} Use constitutional budget reserve fund earnings to fund government operations.

(4) Permanent Fund Dividends: The formula for calculating the dividend would not be changed from the current method of calculation.

Plan B Yes []

Plan B No

* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

Bill Number	SB 70
Amendment	#8
Motion	adopt
<u>Motion by</u>	Leman
<u>Objection</u>	
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Leman	
Senator Al Adams	
Senator Gary Wilken	
Senator Pete Kelly	
Senator Lyda Green	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	withdrawn



Senate Finance Committee

May 13, 1999

Senate Finance

1

Senate Majority's Guiding Principles

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees a Healthy Dividend
- Produces a Balanced Budget
 - ◆ Limits Government Spending
 - ◆ Prioritizes Essential Services
- No Income Tax
- Alaskans Decide.....Vote of the People



Today's Presentation

■ “Do Nothing” Plan

- ◆ Assumptions
- ◆ Graphs

■ “Balanced Budget” Plan

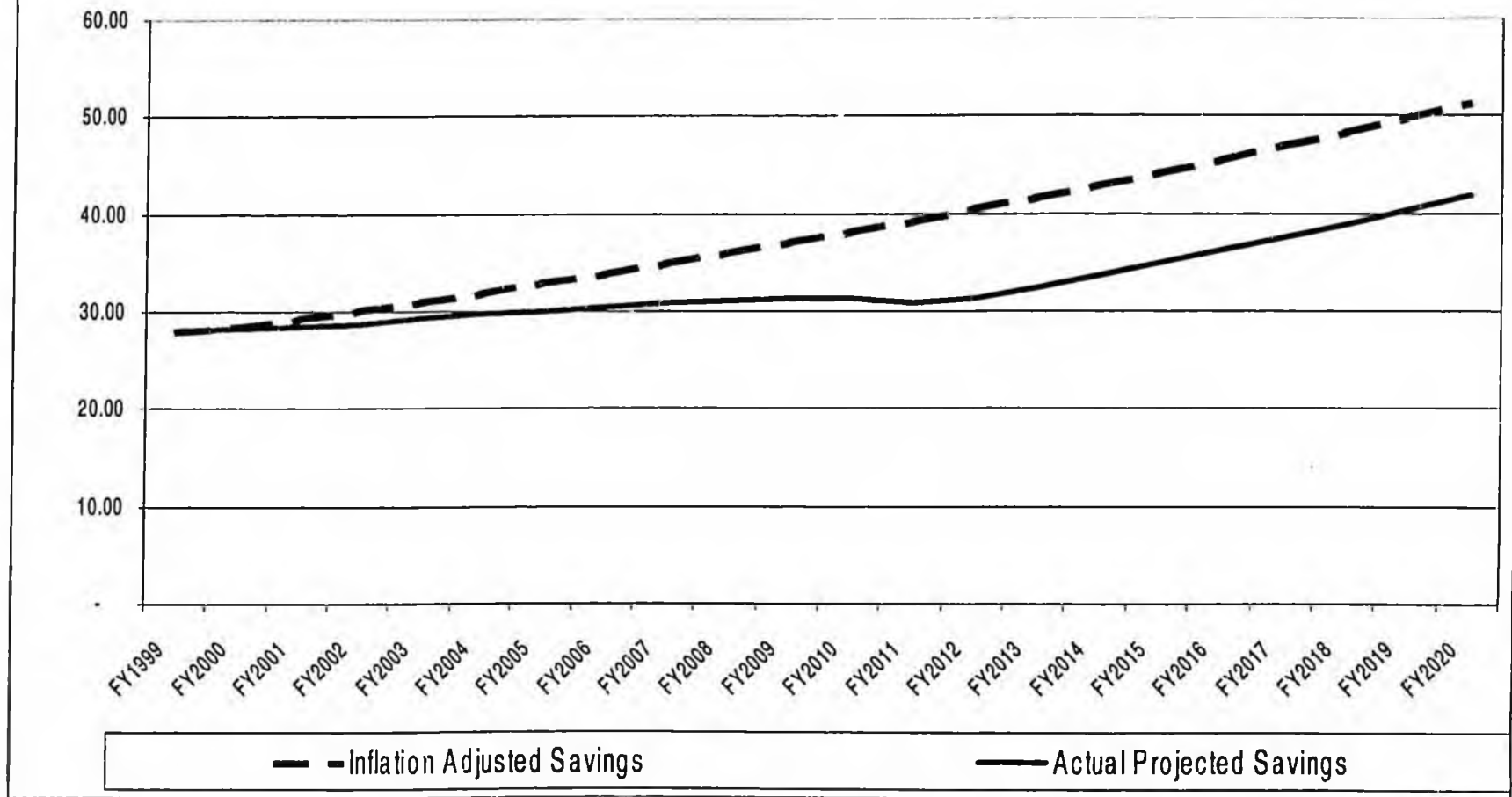
- ◆ Assumptions
- ◆ Graphs

■ Summary

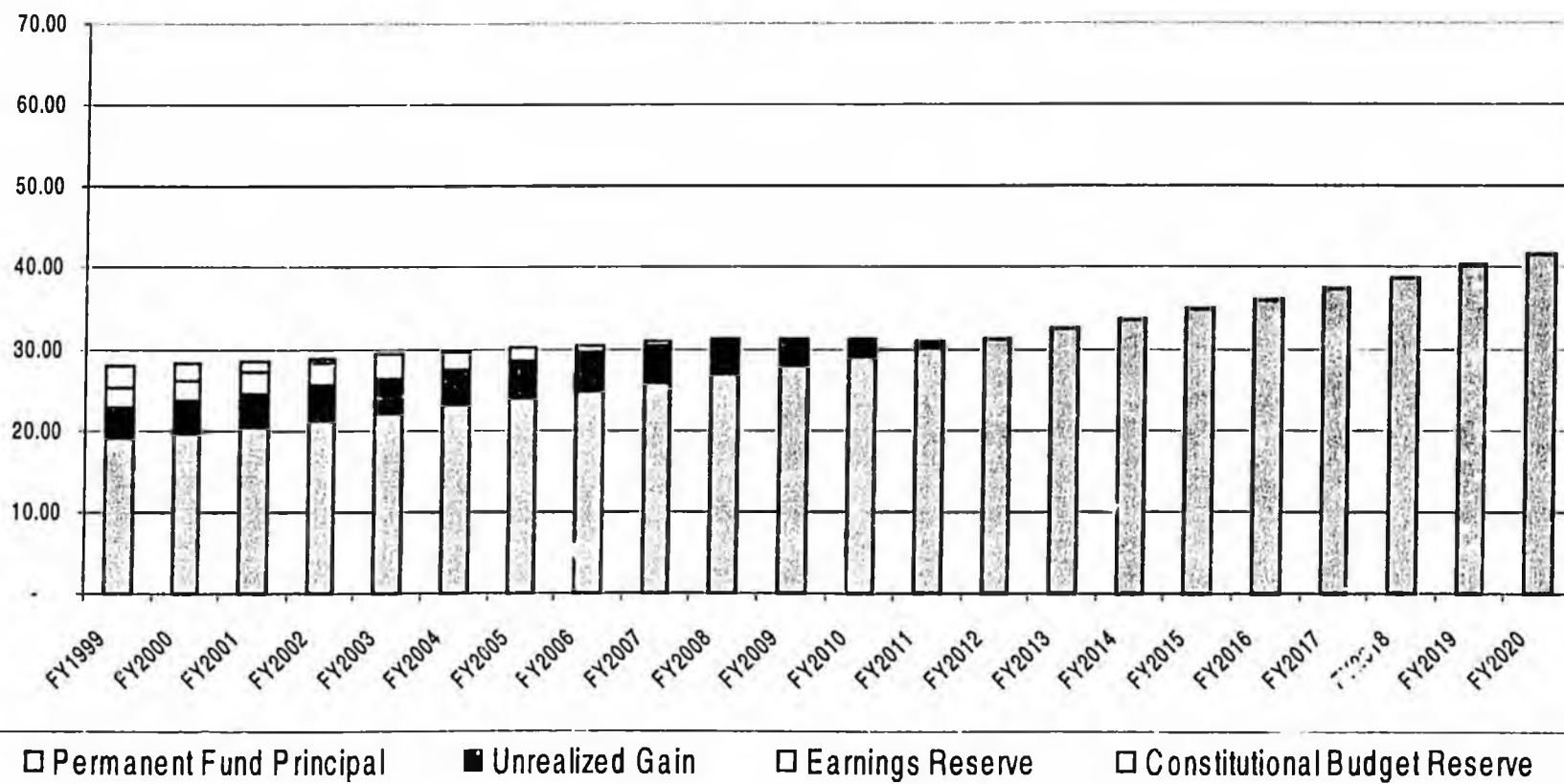
“Do Nothing” - Assumptions

- Dept of Revenue Spring 1999 Forecast
- DOR 5/12/99 Oil Revenue Forecast
- Permanent Fund earns 7.75% Total Return
- No Government Spending Reductions beyond FY2000
- 1.45% Growth for Education only
- Population Growth for Dividend of 1.1%

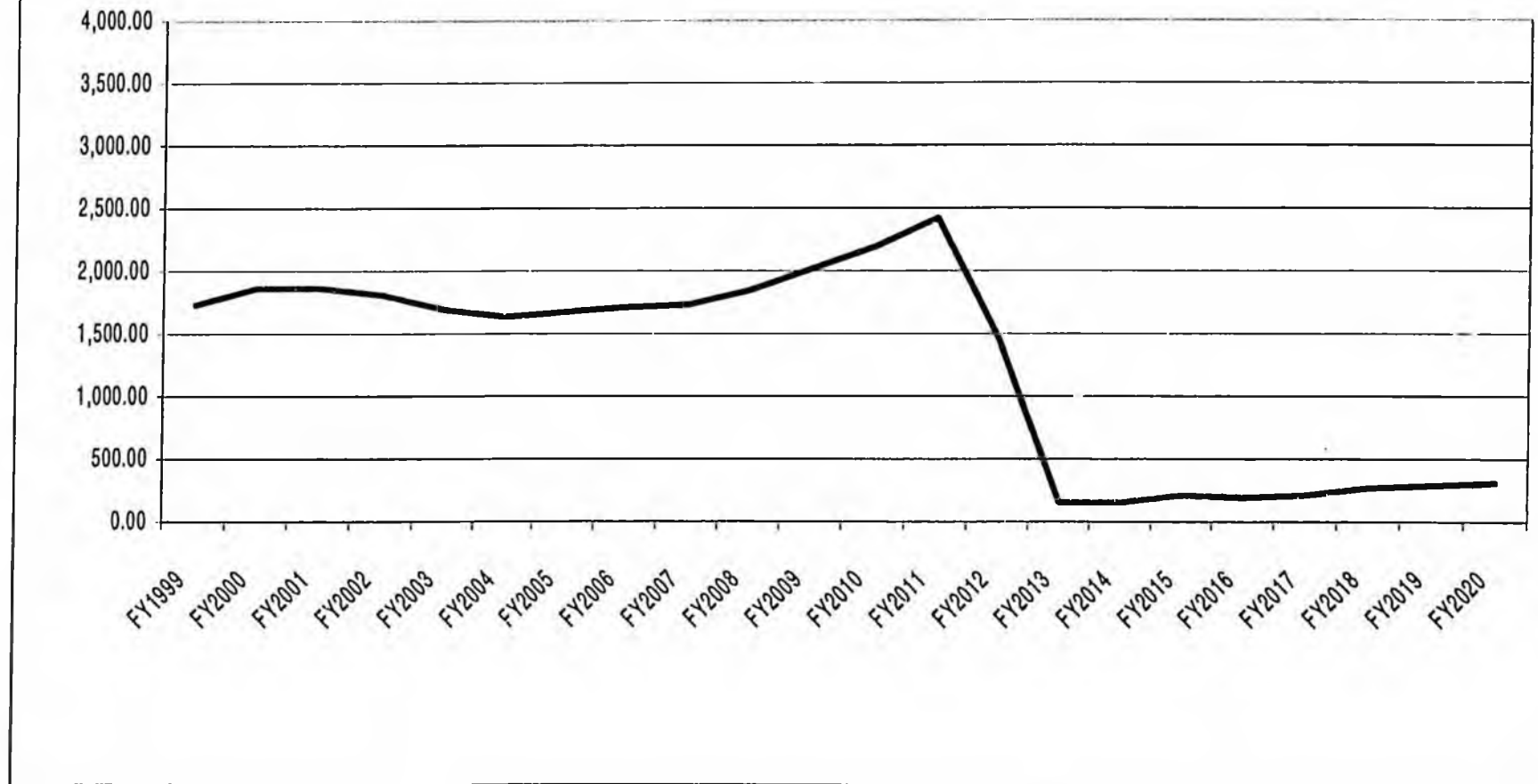
**Do Nothing Plan
Projected Savings Account Balance vs Inflation Adjusted Balance**



Do Nothing Plan Alaska's Savings Accounts



Do Nothing Plan Permanent Fund Dividend per Capita





“Balanced Budget” Plan

May 13, 1999

Senate Finance

8

“Balanced Budget” Plan Assumptions

- Dept of Revenue Spring 1999 Forecast
- DOR 5/12/99 New Oil Development
- Permanent Fund Earns 8.25% Total Return
- Protect Permanent Fund by Inflation Proofing at 3%
- Population Growth for Dividend of 1.1%



Balanced Budget Plan Assumptions

■ General Fund Sustainable Spending Reductions

- ◆ FY2000 \$40 million
- ◆ FY2001 \$30 million
- ◆ FY2002-2010 \$10 million

■ One Time Spending Reductions

- ◆ FY2000 \$35 million

Balanced Budget Plan Assumptions

■ Limits Government Spending

- ◆ While Allowing for 1.45% growth of Education, University, Public Safety, and Transportation Maintenance

■ \$35 million New Revenue in FY2000

■ \$100 million New Revenue in FY2001

■ \$100 million New Revenue in FY2010

■ An additional \$50 million for capital projects

Balanced Budget Plan

Assumptions

■ Dividends Paid

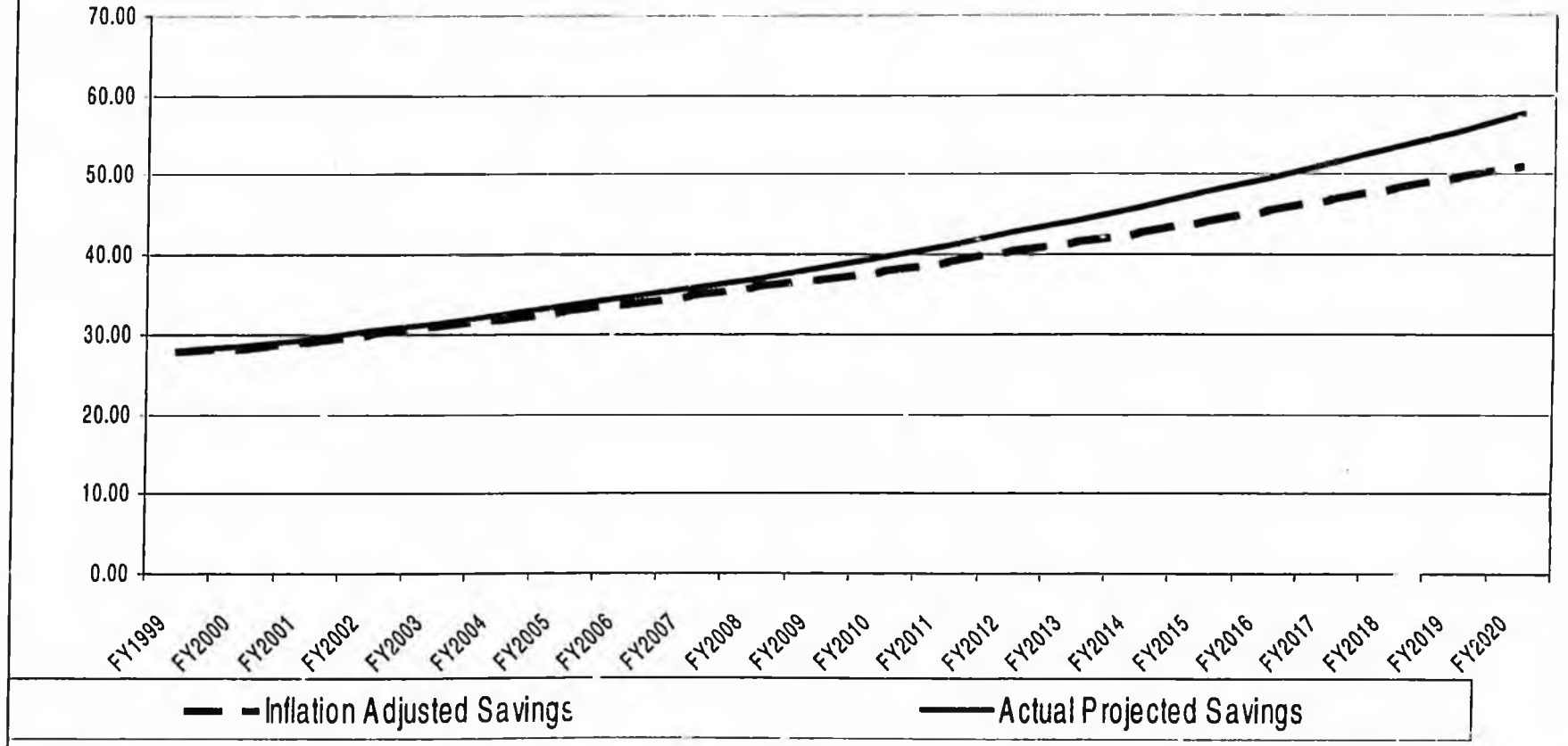
◆ 1995	\$ 990
◆ 1996	\$1,131
◆ 1997	\$1,296
◆ 1998	\$1,541

◆ 1999	~\$1,730
◆ 2000	~\$1,710

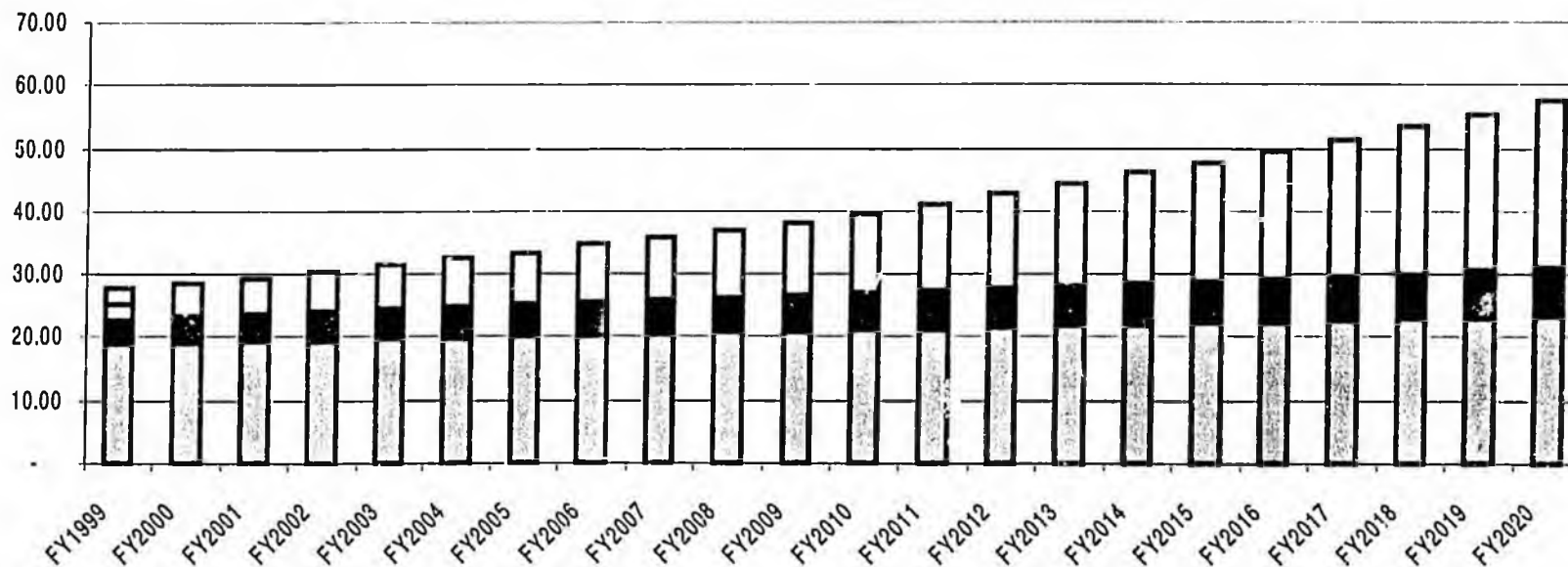
■ Guaranteed Dividends Thereafter:

2.75% of the market value of the fund (~\$1,258)

Balanced Budget Plan
Projected Savings Account Balance vs Inflation Adjusted Balance



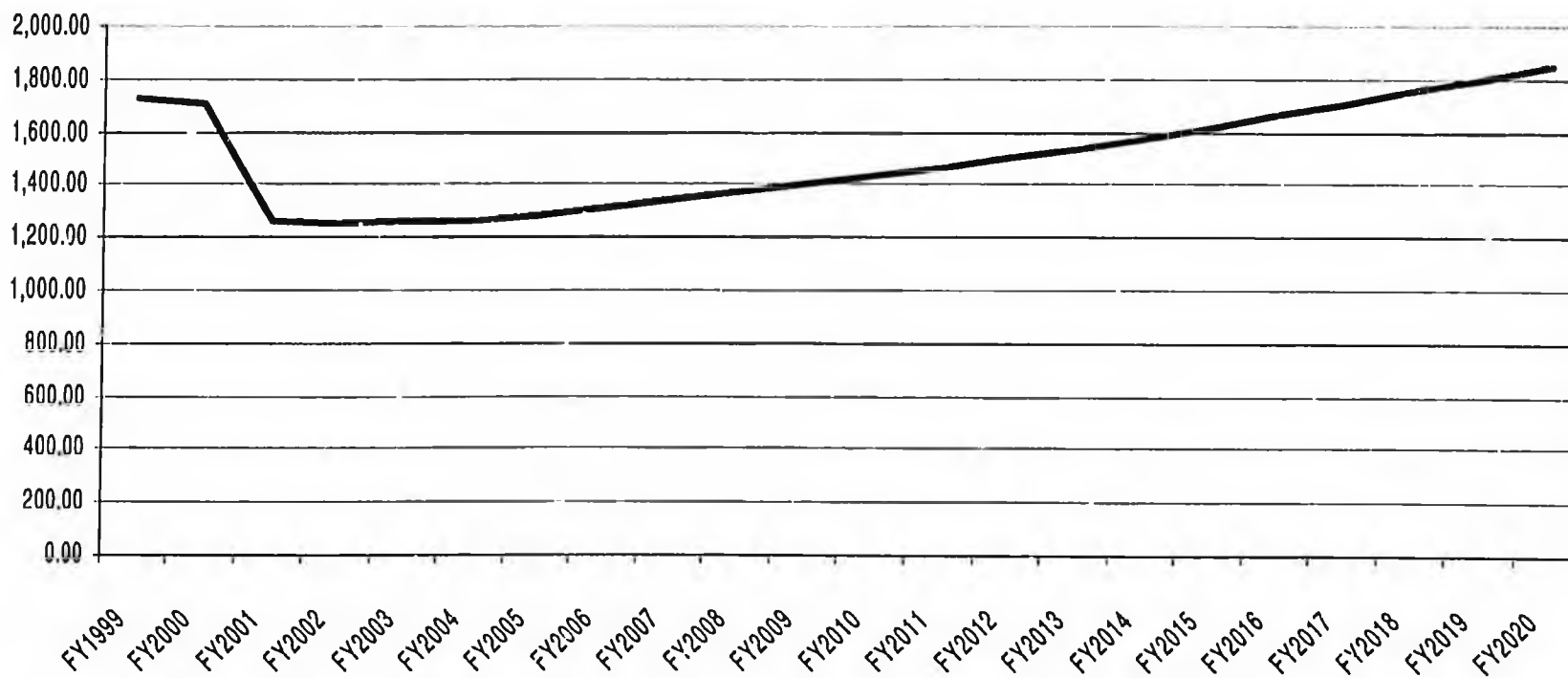
Balanced Budget Plan Alaska's Savings Accounts



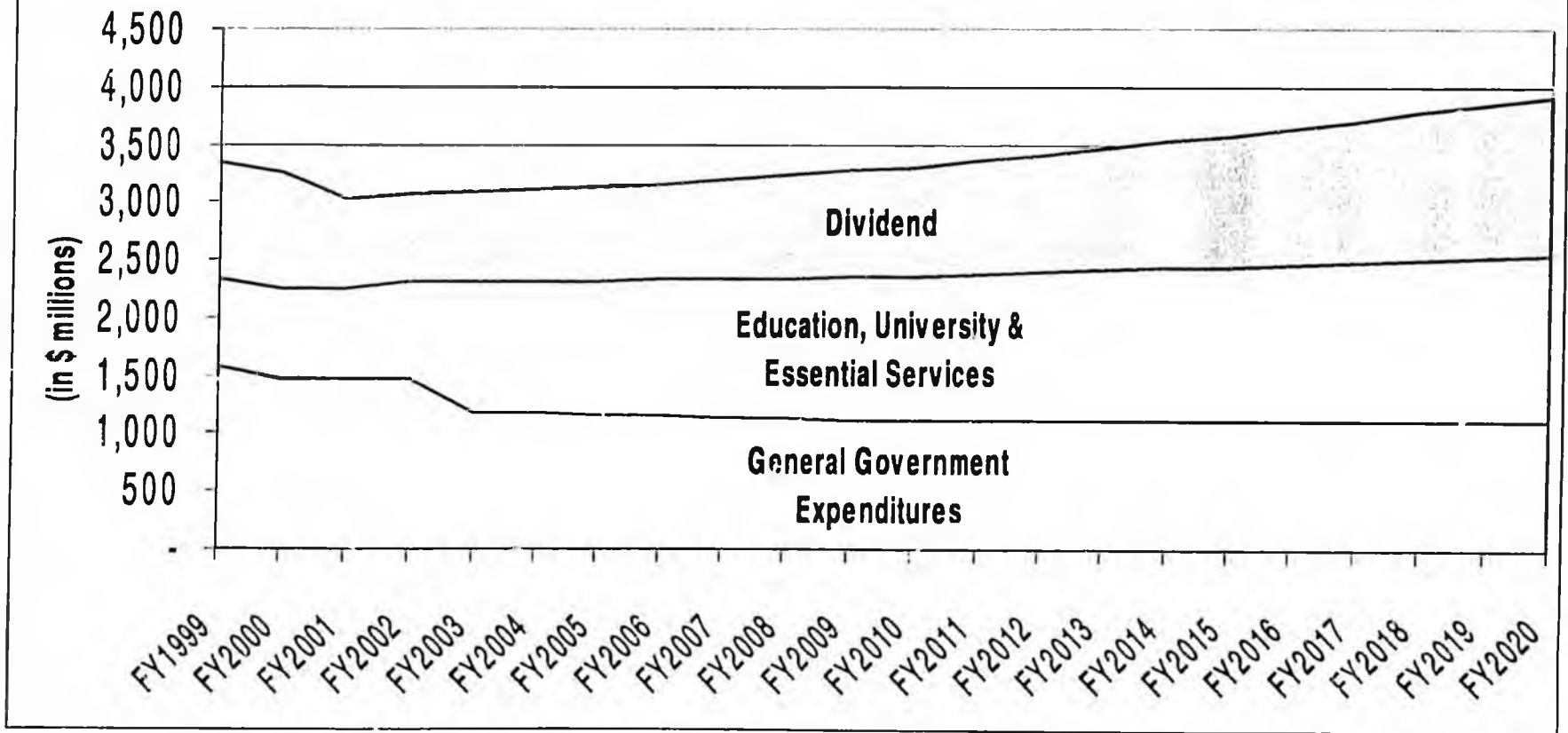
Permanent Fund Principal
 Unrealized Gain
 AK Income Acct
 Constitutional Budget Reserve

yellow

Balanced Budget Plan Permanent Fund Dividend per Capita



Balanced Budget Plan Total GF & Dividend Spending



Balanced Budget Plan

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees the Dividend for all Alaskans
 - ◆ No Dividend Cap
 - ◆ Market Driven Dividend



Balanced Budget Plan

- Produces a Balanced Budget
 - ◆ Reduces Spending & Limits Government
 - ◆ No Personal Income Tax
 - ◆ Economic Stability and Certainty
- Prioritizes Education, Public Safety, and Transportation



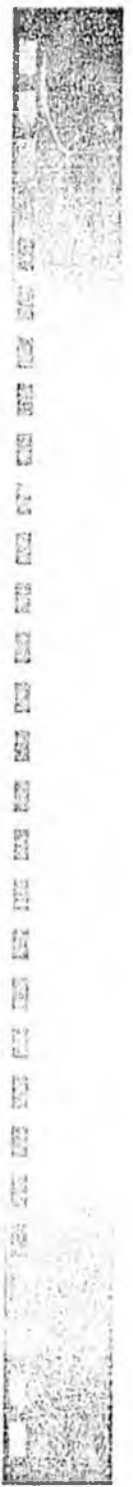
Balanced Budget Plan

■ Alaskans Decide

- ◆ Public Vote in Fall 1999
- ◆ Alaskans Involved in the Process

Senate Majority's Guiding Principles

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees a Healthy Dividend
- Produces a Balanced Budget
 - ◆ Limits Government Spending
 - ◆ Prioritizes Essential Services
- No Income Tax
- Alaskans Decide.....Vote of the People



May 13, 1999

Senate Finance

21

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Revenue Assumptions												
Oil Price in \$/bbl	12.11	13.57	14.52	15.28	16.00	16.30	16.64	18.10	18.62	19.16	19.72	20.31
Volume in mbb/d	1.166	1.047	1.064	1.035	1.049	1.076	1.031	0.979	0.919	0.871	0.824	0.768
HB96 Passes (Y or N) - All Leases @ 25%	N	N	N	N	N	N	N	N	N	N	N	N
Market Assumptions												
Perm Fund Total Return	9.510%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%
Yield of Dividends & Interest	4.000%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%
Expected Capital Gains/Losses	5.510%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%
% of Unrealized Gains Realized	26.480%	18.100%	18.260%	18.400%	18.600%	18.850%	19.100%	19.370%	19.620%	19.900%	20.150%	20.400%
CBR Yield	6.080%	8.250%	8.250%	8.250%	8.250%	8.250%	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%
<i>Annualized Return</i>	9.510%	8.878%	8.668%	8.564%	8.501%	8.459%	8.429%	8.407%	8.389%	8.375%	8.364%	8.354%
Dividend Assumptions												
Maximum Dividend to \$ per Person	\$1,730	\$1,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Calculated Dividend Amount	z \$1,730	\$1,710	\$1,258	\$1,256	\$1,259	\$1,263	\$1,285	\$1,311	\$1,341	\$1,371	\$1,402	\$1,433
Inflation Assumptions												
General Inflation Rate - Used for Inflation Proofing	1.540%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%
Growth of Agency Expenditures - Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth of Formula Expenditures - Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth of School Expenditures - Inflation	0.75%	0.75%	0.75%	0.75%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Growth of Capital Budget - Inflation	0.00%	0.00%	0.00%	0.00%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Population Growth Assumptions												
Agency Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Formula Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
School Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Capital Budget - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Dividends	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%
Inflation Proofing Assumptions												
Statutory Inflation Proofing Amount	z 287.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Question: Use the Statutory Method? (Y or N)	Y	N	N	N	N	N	N	N	N	N	N	N
Endowment Assumptions												
Payout %	N/A	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%
Minimum Dividend		\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Split (Y or N)	N/A	N	N	N	N	N	N	N	N	N	N	N
% Split for Dividend	N/A											
% Split for General Government	N/A											
Graduated 5 Year Smoothing (Y or N)	N/A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Budget Assumptions												
Revenues												
Petroleum Revenue	669.5	685.8	718.1	724.8	735.6	741.9	687.3	721.2	687.6	665.0	643.8	590.5
Non-petroleum Revenue	621.1	614.8	613.2	617.6	612.0	593.7	592.9	592.1	581.4	571.3	560.7	550.2
Alaska Credit Income Tax (Net receipts in millions)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Oil Revenue	0.0	0.0	0.0	5.7	14.2	18.6	22.9	29.7	33.2	78.7	127.9	147.3
Other New Revenue #1	0.0	35.0	100.0	103.0	106.1	109.3	112.6	115.9	119.4	123.0	126.7	130.5
Other Resource Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Total Revenues	1,290.6	1,335.6	1,431.3	1,451.2	1,467.8	1,468.5	1,415.6	1,458.9	1,421.7	1,438.0	1,459.1	1,518.5
Expenditures												
Agency Operations	1,104.7	1,104.7	1,064.7	1,034.7	739.7	729.7	719.7	709.7	699.7	689.7	679.7	669.7
Formula Programs	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5
Education, Public Safety, Transportation, University	681.2	686.3	691.5	696.6	991.7	1,006.1	1,020.7	1,035.5	1,050.5	1,065.8	1,081.2	1,096.9
Perm Fund Dividends	985.5	984.8	732.5	739.4	749.1	760.0	781.9	806.4	833.6	861.9	891.0	920.9
Perm Fund Hold Harmless	28.49	28.9	29.3	29.7	30.2	30.6	31.1	31.5	32.0	32.4	32.9	33.4
Proposed Budget Cuts #1	0.0	(40.0)	(30.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proposed Budget Cuts #1	0.0	0.0	0.0	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Supplemental Budget - Fires, Floods, (Y2K, FY99), etc.	13.6	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Debt Service (Net of non-GF School Fund and AHFC offsets)	46.7	3.5	38.7	41.9	41.8	41.8	41.8	41.8	41.8	41.8	41.8	41.8
Capital Budget	85.4	85.4	85.4	135.4	137.4	139.4	141.4	143.4	145.5	147.6	149.8	151.9
State Match for Loan Programs (Water, Sewer, etc.)	20.9	19.4	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2
Other #1	14.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other #2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total General Fund Expenditures:	3,352.7	3,262.0	3,018.3	3,074.0	3,086.1	3,103.8	3,132.7	3,164.5	3,199.3	3,235.4	3,272.6	3,310.8
Budget (Deficit)/Surplus	(2,062.2)	(1,926.3)	(1,587.0)	(1,622.9)	(1,618.2)	(1,635.3)	(1,717.1)	(1,705.7)	(1,777.6)	(1,797.3)	(1,813.5)	(1,792.3)
Transfers												
Transfer (to)/from CBR (Beg of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from CBR (Thru the Year)	1,048.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from CBR (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legislative Appropriations to Perm Fund Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Alaska Income Acct (Beg of Year)	0.0	912.7	825.1	853.7	839.0	844.7	904.2	867.8	912.1	903.1	889.6	838.0
Transfer (to)/from Alaska Income Acct (Thru the Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Alaska Income Acct (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PFD Transfer from Earn Reserve (End of Year)	985.5	984.8	732.5	739.4	749.1	760.0	781.9	806.4	833.6	861.9	891.0	920.9
PFD Transfer from Earn Reserve for Hold Harmless (End of Year)	28.5	28.9	29.3	29.7	30.2	30.6	31.1	31.5	32.0	32.4	32.9	33.4
Total Transfers	2,062.2	1,926.3	1,587.0	1,622.9	1,618.2	1,635.3	1,717.1	1,705.7	1,777.6	1,797.3	1,813.5	1,792.3
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CONSTITUTIONAL BUDGET RESERVE

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
TOTAL Const Budget Reserve (Beg of Yr)	3,559.1	2,728.3	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oil & Gas Tax Dispute Resolutions (Thru the Year)	56.0	120.0	120.0	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (Beg of Year)	0.0	(2,728.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (Thru the Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (End of Year)	0.0	(125.0)	(124.9)	(125.0)	(124.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Gen Fund (Beg of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Gen Fund (Thru the Year)	(1,048.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Gen Fund (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings	161.4	5.0	4.9	5.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL Const Budget Reserve (End of Yr)	2,728.3	(0.0)	0.0	(7.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ALASKA PERMANENT FUND**Principal/Corpus**

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
TOTAL Principal at Cost (Beg of Yr)	18,516.0	18,980.1	19,144.1	19,318.4	19,500.4	19,699.8	19,913.0	20,117.9	20,336.8	20,553.0	20,772.2	20,993.1
Dedicated Oil Revenues (Thru the Year)	138.1	135.4	145.8	151.1	165.8	176.7	165.4	176.1	169.8	169.0	166.7	155.5
Other Transfers (Amerada Hess) (End of Year)	38.2	28.6	28.5	30.9	33.6	36.4	39.5	42.9	46.3	50.2	54.2	58.6
Legislative Appropriations (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (Beg of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (Thru the Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Alaska Income Acct (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statutory Inflation Proofing (End of Year)	287.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL Principal at Cost (Ending Bal)	18,980.1	19,144.1	19,318.4	19,500.4	19,699.8	19,913.0	20,117.9	20,336.8	20,553.0	20,772.2	20,993.1	21,207.2

Alaska Income Account

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
TOTAL Alaska Income Acct Acct Balance (Beg of Yr)	1,389.0	2,374.4	5,188.8	5,701.7	6,270.0	6,938.8	7,565.9	8,204.8	8,951.6	9,721.2	10,569.7	11,501.2
Transfer (to)/from APFC Principal (Beg of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Principal (Thru the Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from APFC Principal (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Gen Fund (Beg of Year)	0.0	(912.7)	(825.1)	(853.7)	(839.0)	(844.7)	(904.2)	(867.8)	(912.1)	(903.1)	(809.6)	(838.0)
Transfer (to)/from Gen Fund (Thru the Year)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from Gen Fund (End of Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from CBR (Beg of Year)	0.0	2,728.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from CBR (Thru the Year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer (to)/from CBR (End of Year)	0.0	125.0	124.9	125.0	124.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PFD Transfer (to) Gen Fund (End of Year)	(985.5)	(984.8)	(732.5)	(739.4)	(749.1)	(760.0)	(781.9)	(806.4)	(833.6)	(861.9)	(891.0)	(920.9)
PFD Transfer (to) Gen Fund for Hold Harmless (End of Year)	(28.5)	(28.9)	(29.3)	(29.7)	(30.2)	(30.6)	(31.1)	(31.5)	(32.0)	(32.4)	(32.9)	(33.4)
Interest Income	z 957.8	1,036.3	1,060.1	1,094.7	1,132.7	1,173.8	1,210.7	1,251.2	1,292.4	1,336.1	1,382.3	1,433.9
Realized Gains	z 1,399.8	921.7	986.0	1,045.7	1,106.9	1,169.7	1,230.0	1,290.2	1,347.8	1,407.1	1,464.4	1,523.1
Statutory Inflation Proofing	(287.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Costs of APFC	(32.2)	(42.0)	(42.6)	(43.3)	(43.9)	(44.6)	(45.2)	(45.9)	(46.3)	(47.3)	(48.0)	(48.7)
Legislative Appropriations for Oil & Gas Litigation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legislative Appropriations for Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less Amerada Hess Settlement Earnings (not inc in div)	z (38.2)	(28.6)	(28.5)	(30.9)	(33.6)	(36.4)	(39.5)	(42.9)	(46.3)	(50.2)	(54.2)	(58.6)
TOTAL Alaska Income Acct Balance (End of Yr)	2,374.4	5,188.8	5,701.7	6,270.0	6,938.8	7,565.9	8,204.8	8,951.6	9,721.2	10,569.7	11,501.2	12,558.5

Unrealized Gains

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Balance of Unrealized Gains (Beg of Year)	3,970.9	3,890.5	4,170.6	4,413.9	4,637.6	4,844.3	5,035.8	5,209.8	5,370.5	5,521.5	5,663.9	5,803.1
Current Year Unrealized Gains	z 1,319.4	1,201.8	1,229.4	1,269.5	1,313.6	1,361.2	1,404.0	1,450.9	1,498.8	1,549.5	1,603.6	1,662.9
Amount of Gains Realized	(1,399.8)	(921.7)	(986.0)	(1,045.7)	(1,106.9)	(1,169.7)	(1,230.0)	(1,290.2)	(1,347.8)	(1,407.1)	(1,464.4)	(1,523.1)
Additional Gains Realized	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bal Unreal Gain add to Market Value	3,890.5	4,170.6	4,413.9	4,637.6	4,844.3	5,035.8	5,209.8	5,370.5	5,521.5	5,663.9	5,803.1	5,942.9

Balance of Total Savings

Balance of Total Savings	27,973.4	26,503.5	29,434.1	30,408.1	31,483.0	32,514.7	33,532.4	34,659.1	35,785.8	37,005.7	38,297.4	39,708.7
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	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Revenue Assumptions										
Oil Price in \$/bbl	20.91	21.52	22.15	22.80	23.48	24.18	24.94	25.73	26.55	27.40
Volume in mbb/d	0.718	0.669	0.621	0.577	0.550	0.503	0.469	0.437	0.408	0.381
HB96 Passes (Y or N) - All Leases @ 25%	N	N	N	N	N	N	N	N	N	N
Market Assumptions										
Perm Fund Total Return	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%
Yield of Dividends & Interest	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%
Expected Capital Gains/Losses	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%	4.430%
% of Unrealized Gains Realized	20.630%	20.800%	21.000%	21.200%	21.400%	21.600%	21.780%	21.950%	22.100%	22.250%
CBR Yield	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%	5.500%
<i>Annualized Return</i>	8.346%	8.340%	8.334%	8.328%	8.324%	8.320%	8.316%	8.313%	8.310%	8.307%
Dividend Assumptions										
Maximum Dividend to \$ per Person	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Calculated Dividend Amount	z \$1,466	\$1,501	\$1,538	\$1,578	\$1,619	\$1,663	\$1,708	\$1,754	\$1,802	\$1,851
Inflation Assumptions										
General Inflation Rate - Used for Inflation Proofing	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%
Growth of Agency Expenditures - Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth of Formula Expenditures - Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth of School Expenditures - Inflation	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Growth of Capital Budget - Inflation	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Population Growth Assumptions										
Agency Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Formula Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
School Expenditures - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Capital Budget - Population	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Dividends	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%	1.100%
Inflation Proofing Assumptions										
Statutory Inflation Proofing Amount	z 0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Question: Use the Statutory Method? (Y or N)	N	N	N	N	N	N	N	N	N	N
Endowment Assumptions										
Payout %	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%
Minimum Dividend	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Split (Y or N)	N	N	N	N	N	N	N	N	N	N
% Split for Dividend										
% Split for General Government										
Graduated 5 Year Smoothing (Y or N)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Budget Assumptions

Revenues

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
<i>Petroleum Revenue</i>	562.0	551.4	523.5	498.8	483.0	463.5	446.1	431.4	418.0	408.0
<i>Non-petroleum Revenue</i>	539.7	529.4	519.2	514.1	509.1	504.1	499.2	497.2	492.4	492.5
Alaska Credit Income Tax (Net receipts in millions)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Oil Revenue	185.2	226.0	221.6	253.4	274.0	284.3	295.1	306.3	316.2	303.6
Other New Revenue #1	134.4	138.4	142.6	146.9	151.3	155.8	160.5	165.3	170.2	175.4
Other Resource Revenue	101.5	102.9	104.4	105.9	107.5	109.0	110.6	112.2	113.8	115.5
Total Revenues	1,522.8	1,548.1	1,511.3	1,519.0	1,524.7	1,516.7	1,511.5	1,512.5	1,510.6	1,495.0

Expenditures

Agency Operations	659.7	659.7	659.7	659.7	659.7	659.7	659.7	659.7	659.7	659.7
Formula Programs	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5	372.5
Education, Public Safety, Transportation, University	1,112.8	1,128.9	1,145.3	1,161.9	1,178.8	1,195.8	1,213.2	1,230.8	1,248.6	1,266.7
Penn Fund Dividends	952.2	985.7	1,021.1	1,058.9	1,098.7	1,140.6	1,184.4	1,230.0	1,277.4	1,326.8
Penn Fund Hold Harmless	33.9	34.3	34.8	35.4	35.9	36.4	36.9	37.4	38.0	38.5
Proposed Budget Cuts #1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proposed Budget Cuts #1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplemental Budget - Fires, Floods, (Y2K, FY99), etc.	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Debt Service (Net of non-GF School Fund and AHFC offsets)	41.8	41.8	41.8	41.8	41.8	41.8	41.8	41.8	41.8	41.8
Capital Budget	154.1	156.4	158.6	160.9	163.3	165.6	168.0	170.5	172.9	175.5
State Match for Loan Programs (Water, Sewer, etc.)	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2
Other #1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other #2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total General Fund Expenditures:	3,360.7	3,413.1	3,467.6	3,524.7	3,584.3	3,646.2	3,710.2	3,776.4	3,844.6	3,915.2

Budget (Deficit)/Surplus

	(1,837.9)	(1,864.9)	(1,956.3)	(2,005.8)	(2,059.5)	(2,129.5)	(2,198.8)	(2,263.9)	(2,334.0)	(2,420.2)
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Transfers

<i>Transfer (to)/from CBR (Beg of Year)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transfer (to)/from CBR (Thru the Year)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transfer (to)/from CBR (End of Year)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legislative Appropriations to Perm Fund Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transfer (to)/from Alaska Income Acct (Beg of Year)</i>	851.8	844.9	900.3	911.6	925.0	952.4	977.4	996.5	1,018.6	1,054.9
<i>Transfer (to)/from Alaska Income Acct (Thru the Year)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transfer (to)/from Alaska Income Acct (End of Year)</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>PFDF Transfer from Earn Reserve (End of Year)</i>	952.2	985.7	1,021.1	1,058.9	1,098.7	1,140.6	1,184.4	1,230.0	1,277.4	1,326.8
<i>PFDF Transfer from Earn Reserve for Hold Harmless (End of Year)</i>	33.9	34.3	34.8	35.4	35.9	36.4	36.9	37.4	38.0	38.5
Total Transfers	1,837.9	1,864.9	1,956.3	2,005.8	2,059.5	2,129.5	2,198.8	2,263.9	2,334.0	2,420.2

Difference

	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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