

PRESS RELEASE

**ALASKA**  **MAJORITY SENATE**

SENATOR BERT STEDMAN

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## **Sen. Stedman’s Plan Guards, Grows Alaskans’ Permanent Fund**

JUNEAU – Sen. Bert Stedman (R-Sitka) rolled out a new plan this year to guard and grow the Alaska Permanent Fund.

[SB 21](#) (2017 version) creates a simple percent of market value structure. The draw would be calculated based on an average of the year-end market value of the permanent fund for the first five of the last six fiscal years. An amount equal to 4.5 percent of the average would then be made available for appropriation.

“It is time to build a simple new framework for the permanent fund,” said Sen. Stedman. “One that provides a stable and predictable dividend, protects the fund by ring-fencing it, and allows the proven management of the fund to continue. This bill is not intended to be a final solution for state budget deficits; it is intended to protect the permanent fund first and safeguard the dividend for current and future generations.”

- The 4.5 percent of market value draw is split in half, with a **minimum** of 2.25 percent dedicated to dividends.
- The remaining 2.25 percent can be allocated toward increasing the dividend, reinvesting into the fund, or used to pay for public services, depending on the fiscal circumstances of the state.
- This ensures that **no more than** 2.25 percent can be used for public services. This keeps downward pressure on state spending and the size of government.

This new framework provides certainty in budgeting for an upcoming fiscal year as the draw will be based on actual historic numbers, while allowing the fund to be invested as it is today and to grow for future generations.

For more information, contact Senator Stedman’s Chief of Staff [Randy Ruaro](#) at (907) 465-3873.

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