

REPRESENTATIVE JUSTIN PARISH

Alaska State Legislature / Juneau, Alaska District 34



Sponsor Statement HB 213

This bill restructures the Public School Trust fund by combining what are now separate accounts and using a percent of market value (POMV) draw of 4.75% of the fund value. The value will be based upon the monthly average market value of the fund for the previous ten fiscal years at June 30. This structure would allow for a higher rate of return and more stable funding in support of the state's public schools.

The change to investment was recommended by the House Finance subcommittee for the Department of Education and Early Development. With this change, the Department of Revenue has estimated an additional \$8.2 million annual return, new money available for education funding. No additional administration or investment costs would be incurred as a result of this bill. I would appreciate your support for HB 213.