



# Democrats: Alaska's windfall oil profits off-limits

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Democrats have introduced legislation that would transfer billions of dollars of "windfall" oil money to the Permanent Fund so lawmakers won't be tempted to spend the money unnecessarily.

Gov. Wally Myers and Berta Gardner are taking up what previous lawmakers have tried and failed -- to cap the recent oil wealth for when it's really needed. Former Reps. Ralph Samuels and Harry Swinicki led it through the House in previous years but it was never passed.

The Budget Reserve account holds about \$10 billion, much of it from profits the state has collected under a controversial tax regime called ACES, or [Alaska's Clear and Equitable Share](#). The tax was introduced over a few years, when oil prices climbed near or above \$100 a barrel. But some lawmakers are now stifling more investment in the North Slope oil fields and a number of bills aimed at reforming the fund are expected to be introduced this session.

The session convenes Tuesday in Juneau for a 90-day session, and [oil taxes are expected to be the top priority](#) that lawmakers will try to resolve.

Gov. Myers is supporting any change to ACES, he said Friday, and wants to keep the money flowing in the state. But he wants the cash taken out of the reach of lawmakers who tend to want to spend it on infrastructure projects and other programs.

Gov. Myers says the Permanent Fund puts it legally off limits. "People might get tempted by that money and spend it," he said.

Already, lawmakers have introduced measures to siphon off some of the cash, including \$10 billion into a revolving fund for energy loans and \$2 billion into an energy project development account.

"At some point, we're actually going to come to the end of this run-up we've had with oil money," Doogan said, pointing to rising state costs for education as an example. "If you take this particular windfall and spend it, what are you going to do to pay for education after you've spent it?"

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University of Alaska Anchorage  
 Monday, March 28, 7:30 p.m.  
 Wendy Williamson Auditorium  
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