

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: HB 106
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB106-EED-SDR-3-29-19
Title: SCHOOL BOND DEBT REIMBURSEMENT
Sponsor: WILSON
Requester: House Finance Committee

Department: Debt Service
Appropriation: School Debt Reimbursement
Allocation: School Debt Reimbursement
OMB Component Number: 153

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
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)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed?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/comments:

Not applicable; initial version based on the Governor's 2.13.19 FY20 budget request.

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. HB106

Analysis

This bill extends the closure of the school construction debt reimbursement program (AS 14.11.100) to any new voter approved authorizations until July 1, 2025. The current closure became effective January 1, 2015, and the moratorium is scheduled to sunset July 1, 2020.

This legislation reestablishes the program with the reimbursement rates set at 50% and 40% for indebtedness authorized by voters on or after July 1, 2025.

It is difficult to accurately predict the fiscal impact this bill would have. It can be anticipated that the department's school construction debt reimbursement allocation will experience scheduled reductions as currently reimbursed bonds are paid off during the five-year extension and new debt service is not being added. The amount of indebtedness that may be incurred on projects approved for debt reimbursement at the 50% and 40% levels following July 1, 2025 (FY2026) is unknown.