

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 376  
Fiscal Note Number:  
() Publish Date:

Identifier: HB376-DCCED-ASB-04-11-18  
Title: ESTABLISH THE ALASKA STATE BANK  
Sponsor: TUCK  
Requester: (H) Labor & Commerce

Department: Various (for Fiscal Notes only)  
Appropriation: Various  
Allocation: Executive Branch  
OMB Component Number: 0

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
			FY 2019	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services	***			***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	<b>0.0</b>	***	***	***	***	***

## Fund Source (Operating Only)

None							
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

## Positions

Full-time	***		***	***	***	***	***
Part-time							
Temporary							

## Change in Revenues

None	***		***	***	***	***	***
<b>Total</b>	<b>0.0</b>						

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 *(separate supplemental appropriation required)*  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2019) cost:** 0.0 *(separate capital appropriation required)*  
(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? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/25

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Phone: (907)465-2506  
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Date: 04/12/18

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. HB376

### Analysis

HB376 establishes the Alaska State Bank (ASB) as a corporate entity within the Department of Commerce, Community, and Economic Development. The ASB is funded by the Alaska State Bank Fund, and may receive federal, state, and other revenues.

The ASB is anticipated to be established as a small bank in Alaska. The bank is anticipated to have executive-level staff (President, Executive Vice President, Senior Vice President, Vice President, Assistant Vice President), as well as management-level and functional-level banking staff. The ASB is also anticipated to have in-house information technology, human resources, auditing/trust, and administrative support staff. The total number of positions for the ASB is estimated between 75 and 150.

In addition to personal services costs, the ASB will also require authorization for travel, services, commodities and capital outlay. Higher costs are anticipated in the first two to three years as the ASB is established. The ASB will need to acquire specialized banking software, and to develop a computer application that can meet the requirements of AS 44.90.210(c) for marijuana businesses and tax revenues. The ASB will receive some financial, budget, human resources, and information technology support from the department, and will be billed by DCCED annually. The ASB's portion of DCCED's cost allocation is anticipated to be larger in the first two years as Administrative Services and Commissioner's Office resources are deployed to assist with the ASB's startup.

Revenues to the ASB are unable to be determined at this time. In addition to the ASB's more standard banking functions, the ASB is authorized to accept certain funds from the federal government, to receive appropriations from the legislature, and to issue shares of the bank to Alaskans.

Regulations will be required for the ASB. However, the timeline for adoption of those regulations is unable to be determined at this time.

The Division of Commerce, Community, and Economic Development is unable to determine the fiscal impact of this legislation at this time.