

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 424(FIN)
 () Publish Date: _____

Identifier (file name): CSHB424(FIN)-REV-TRS-04-10-10
 Title: G.O. Bonds for Education Projects
 Sponsor: House Finance Committee
 Requester: House Finance Committee
 Dept. Affected: Revenue
 RDU: Taxation and Treasury
 Component: Treasury Division
 Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous		10.0	10.0					
TOTAL OPERATING		10.0	10.0	29,095.0	29,095.0	29,095.0	29,095.0	29,095.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF			29,095.0	29,095.0	29,095.0	29,095.0	29,095.0	29,095.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Miscellaneous		10.0	10.0					
TOTAL		10.0	10.0	29,095.0	29,095.0	29,095.0	29,095.0	29,095.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

The Bill authorizes the voters of the state to consider up to a \$388,500,000.00 general obligation bond issue of the State of Alaska. This bond would carry the full faith and taxing authority of the State, and thereby achieve the lowest interest rate available to the State. If the proposition were approved in November 2010 it is anticipated Bonds would be issued in early 2011 and debt service would commence in FY 2012. The current interest rate is very favorable with 20 year amortization net interest cost for credits of this type below 4% after subsidy. Interest rate achieved would depend on market conditions at the time bonds were sold. For modeling purposes the Department used an assumed rate of 4.2% and 20 year amortization for the bonds.

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Administrative Services Division, Department of Revenue

Phone: 465-3669
 Date/Time: 04-10-10; 8:36pm
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