

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 350
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB350-EED-SDR-2-25-22
Title: SCHOOL BOND DEBT REIMBURSEMENT
Sponsor: DRUMMOND
Requester: House Education

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)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	***	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	***	***	***	***	***	***

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 (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) 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If yes, by what date are the regulations to be adopted, amended or repealed?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.

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Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 02/25/2022
Date: 02/25/22

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB 350

Analysis

The bill amends AS 14.11.014(d), 14.11.100(a), 14.11.100(s), and 14.11.102(c) by changing the date the debt reimbursement for school construction program will reopen from 7/1/2025, to 7/1/2022. The bill gives the department the authority on or after 7/1/2022 to approve and allocate funds for department approved school debt projects. AS 14.11.100(a) is further amended by changing the reimbursement rate in AS 14.11.100(a)(18) from 50% to 70% for school construction and major maintenance projects, and the rate in AS 14.11.100(a)(19) from 40% to 60% for school construction projects that do not qualify for additional space.

The bill take effect immediately under AS 01.10.070(c) and if the bill is signed after 7/1/2022 than the effective date of the bill will be 7/1/2022.

The fiscal note is indeterminate as the Department of Education and Early Development does not know how many municipalities will seek voter approval for new school capital debt that may qualify under this program or when they will seek voter approval.

FY2024 will be the first year that new debt will be included in the Governor's Budget for the School Debt Reimbursement Program since, per AS 14.11.102(a), the municipalities must request an allocation of funds under AS 14.11.100 by October 15 for the next fiscal year.