

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: SB 98
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB098-DOR-TRS-3-10-23
Title: POWER COST EQUALIZATION ENDOWMENT
FUND
Sponsor: FINANCE
Requester: (S) FIN

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Treasury Division
OMB Component Number: 121

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	1,178.9		1,178.9	1,178.9	1,178.9	1,178.9	1,178.9
1169 PCE Endow (DGF)	(1,178.9)		(1,178.9)	(1,178.9)	(1,178.9)	(1,178.9)	(1,178.9)
Total	0.0						

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0						

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) 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If yes, by what date are the regulations to be adopted, amended or repealed?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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Division: <u>Treasury Division</u>	Date: <u>03/10/2023</u>
Approved By: <u>Eric DeMoulin, Director</u>	Date: <u>03/10/23</u>
Agency: <u>Department of Revenue</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. SB098

Analysis

SB 98 transfers the responsibility to manage the investments of the Power Cost Equalization Endowment Fund established in AS 42.45.070 from the Commissioner of Revenue to the Alaska Permanent Fund Corporation (APFC). The Power Cost Equalization Endowment Fund is currently budgeted to fund \$1.179 million towards Treasury's FY24 budget. The Treasury structure allows it to efficiently manage numerous funds at low cost. Transferring the Power Cost Equalization Endowment Fund to APFC will not reduce Treasury's budget because Treasury allocates all of its costs among the \$48 billion in state and retirement investment funds it manages. As such, transferring fund management from the Treasury will result in increased funding from the general fund.