

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **CSSB217(FIN)**
 () Publish Date: _____

Identifier (file name): CSSB217(FIN)-DOR-AHFC-3-28-10 Dept. Affected: Revenue
 Title **GUARANTEED REVENUE BONDS FOR VETERANS** RDU Alaska Housing Finance Corp.
 Sponsor Senate Rules Committee Component Operations
 Requester Governor Component Number 110

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	150.0		(1,235.6)	(1,246.8)	(1,258.0)	(1,269.3)	(1,280.7)	
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous			1,275.6	1,292.1	1,129.1	1,141.2	1,153.7	
TOTAL OPERATING	150.0	0.0	40.0	45.3	(128.9)	(128.1)	(127.0)	

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							
1005 GF/Program Receipts							
1037 GF/Mental Health							
1103 AHFC Receipts	150.0		40.0	45.3	(128.9)	(128.1)	(127.0)
TOTAL	150.0	0.0	40.0	45.3	(128.9)	(128.1)	(127.0)

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 217 authorizes a statewide public vote on \$600 million in revenue bonds to finance the Veterans Mortgage Program. Alaska is one of five states in the nation that established this program under the federal tax code. AHFC administers the program on behalf of the State.

Costs associated with the issuance of these bonds are anticipated to be covered with annual operating budget authorizations. Anticipated costs related to voter information education and dissemination about the bonds and the program will be approximately \$150,000. If approved by voters, bond issuances in the future will be done based on

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 Division Alaska Housing Finance Corporation Date/Time 3/28/10 12:00 AM
 Approved by: _____ Date _____

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ANALYSIS CONTINUATION

The Senate Finance Committee draft of SB 217 includes language that authorizes AHFC to acquire the building they currently reside in at 4300 Boniface Parkway in Anchorage. The estimate is for a building cost of no more than \$14.5 million, of which \$5 million will be a land exchange with the Tatitlek Corporation and \$9.5 million will be from the sale of 25 year bonds. The Corporation expects a savings of purchasing the building compared to continuing to lease of approximately \$15.2 million in net present value cost.

The bill also authorizes AHFC to acquire or purchase a site for relocating its public housing client intake and assisted housing center in Anchorage for an amount not to exceed \$3.5 million. AHFC already has federal and corporate funds in hand that would allow this transaction to occur without the need for a new appropriation.