

# Fiscal Note

State of Alaska  
2015 Legislative Session

|                     |           |
|---------------------|-----------|
| Bill Version:       | HB 86     |
| Fiscal Note Number: | 1         |
| (H) Publish Date:   | 1/30/2015 |

Identifier: 0018-DOR-TRS-1-16-15  
Title: PCE ENDOWMENT FUND INVESTMENT  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: Governor

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)

|                               | FY2016<br>Appropriation<br>Requested | Included in<br>Governor's<br>FY2016<br>Request | Out-Year Cost Estimates |            |            |            |            |
|-------------------------------|--------------------------------------|------------------------------------------------|-------------------------|------------|------------|------------|------------|
|                               | FY 2016                              | FY 2016                                        | FY 2017                 | FY 2018    | FY 2019    | FY 2020    | FY 2021    |
| <b>OPERATING EXPENDITURES</b> |                                      |                                                |                         |            |            |            |            |
| Personal Services             |                                      |                                                |                         |            |            |            |            |
| Travel                        |                                      |                                                |                         |            |            |            |            |
| Services                      |                                      |                                                |                         |            |            |            |            |
| Commodities                   |                                      |                                                |                         |            |            |            |            |
| Capital Outlay                |                                      |                                                |                         |            |            |            |            |
| Grants & Benefits             |                                      |                                                |                         |            |            |            |            |
| Miscellaneous                 |                                      |                                                |                         |            |            |            |            |
| <b>Total Operating</b>        | <b>0.0</b>                           | <b>0.0</b>                                     | <b>0.0</b>              | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

## Fund Source (Operating Only)

|              |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

## Positions

|           |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |  |

## Change in Revenues

|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|

**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2016) 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?  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

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Approved By: Randall Hoffbeck  
Agency: Commissioner

Phone: (907)465-2350  
Date: 01/16/2015 12:00 AM  
Date: 01/16/15

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2015 LEGISLATIVE SESSION**Analysis**

This bill removes the nominal return target of at least 7% and directs the commissioner to invest the fund in a manner to meet the objectives of funds. This will allow the commissioner the ability to target a lower nominal rate with less risk associated than the 7% minimum and still meet the financial needs of the program.