



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

OFFICE OF THE COMMISSIONER

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MEMORANDUM

TO: Senator Mia Costello
Chair, Senate Labor & Commerce

DATE: Monday, January 25, 2016

FROM: Chris Hladick, Commissioner

RE: Hearing request for SB 149

Please accept this request to schedule SB 149 – AIDEA: Dividend to State; Income; Valuation – for consideration by the Senate Labor & Commerce Committee.

Recent accounting authoritative guidance changes have highlighted the compounding effect of “mark-to-market” accounting adjustment entries on AIDEA’s statutorily defined “net income”. In addition, certain write-downs and impairment results should be excluded from determining net income in order to not penalize either the state or AIDEA when such entries are appropriate. HB 268 was introduced to accomplish these tasks while also providing the state with a more consistent dividend for budgeting and planning purposes.

In order to properly present the material and concepts covered by this legislation it would be helpful to have access to a PowerPoint projector and screen. This bill will be presented by Michael Lamb, Chief Financial Officer of AIDEA. Dependent on scheduling, an off-net line may be necessary.

If you have any questions regarding this hearing request, please feel free to contact me directly or Micaela Fowler at 465-2503.

Enclosures