

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: SB 135
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB135-DOR-TRS-01-18-24
Title: AK WORK & SAVE PROGRAM; RETIRE. SAVINGS
BD
Sponsor: WIELECHOWSKI
Requester: (S) Labor and Commerce

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

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 (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/24

Why this fiscal note differs from previous version/comments:

Initial version.

Prepared By: Pam Leary	Phone: (907)465-3751
Division: Treasury Division	Date: 01/11/2024
Approved By: Eric DeMoulin, Administrative Services Director	Date: 01/18/24
Agency: Department of Revenue	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. SB135

Analysis

This legislation amends AS 44.25.400 - 44.25.490 to include a new Alaska Work and Save Program.

This Fiscal Note is currently indeterminate as costs are dependent on how the program is administered. There are similar programs this program could be modelled after:

1 - The Alaska Retirement Management Board oversees the participant-directed (401K-like) investments which are administered via the Department of Retirement and Benefits. Depending on how the program is set up, there could be economies of scale related to costs within agencies and charged by vendors and some expenses could be paid from participant accounts. In fact, if changes were made to the board structure in the bill, it could allow for the ARMB, or a subset of the ARMB, to act as the board if desired.

2 - The 529 Education Savings and 529A ABLER Savings programs are standalone programs that have 2 different administrative structures.

Initially, there will not be enough retirement assets to fund the operations of the program, regardless of how it is administered, however program administration will determine total initial costs and future funding needs. Ideally, a new funding source would be created for the program.