

FISCAL NOTE

Bill Version: HB 319
 (H) Publish Date: 1/26/00

**STATE OF ALASKA
 2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected _____ Revenue _____
 Title Transportation Bonds BRU Revenue Operations
 Component Treasury Division
 Sponsor Rules Committee
 Requester Governor Component Serial No. 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel (Marketing & Selling Bonds)	15.0	15.0	15.0	0.0		
Contractual (Paying Agent)		5.0	10.0	15.0	15.0	15.0
Supplies	1.0	1.0	1.0	0.0		
Equipment						
Land & Structures						
Grants & Claims						
Debt Service	0.0	36,660.0	36,662.0	36,661.0	36,659.0	36,661.0
TOTAL OPERATING	16.0	36,681.0	36,688.0	36,676.0	36,674.0	36,676.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts		32,994.0	32,996.0	32,995.0	32,993.0	32,995.0
1003 GF Match		3,666.0	3,666.0	3,666.0	3,666.0	3,666.0
1004 GF	16.0	21.0	26.0	15.0	15.0	15.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	16.0	36,681.0	36,688.0	36,676.0	36,674.0	36,676.0

Estimate of current year (FY00) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Authorizes \$350 million in general obligation bonds to fund transportation projects. It is anticipated that approximately 90% of the debt service on these bonds will be paid with federal funds.

Assuming an interest cost of 6.22% (approximately 0.75% above current rates), and a 15-year term, annual debt service is approximate \$36.7 million beginning in fiscal year 2002. The state's match for annual debt service will be \$3.7 million.

The state is currently working with the Federal Highway Administration to obtain a ruling allowing investment earnings on the funds obtained through the bond sale to be used for the state's 10% match to federal funds. If this ruling is granted, the general fund exposure will be eliminated in the earlier years and reduced in the later years.

Prepared by Deven Mitchell, Debt Manager
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 Approved by _____
 Commissioner Wilson L. Condon
 Agency Department of Revenue

Phone 465-3750
 Date/Time January 21, 2000
 Date January 21, 2000

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