

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 155
(S) Publish Date: 3/21/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
Title: An Act relating to the ACPE and ASLC; establishing BRU: ACPE
the Alaska Advantage Loan Program and the Alaska Supplemental Component: Student Loan Operations
Sponsor: Rules Committee
Requester: Governor Component Number: 213

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Personal Services | 135.6 | 250.6 | 256.9 | 263.3 | 269.9 | 276.6 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 135.6 | 250.6 | 256.9 | 263.3 | 269.9 | 276.6 |

| | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| CAPITAL EXPENDITURES | 135.6 | 250.6 | 256.9 | 263.3 | 269.9 | 276.6 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|

| | | | | | | |
|-------------------------------|--|----------------|----------------|-----------------|-----------------|-----------------|
| CHANGE IN REVENUES () | | 4,752.6 | 8,697.3 | 12,423.2 | 16,227.4 | 24,416.2 |
|-------------------------------|--|----------------|----------------|-----------------|-----------------|-----------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type) | 135.6 | 250.6 | 256.9 | 263.3 | 269.9 | 276.6 |
| TOTAL | 135.6 | 250.6 | 256.9 | 263.3 | 269.9 | 276.6 |

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

| | | | | | | |
|-----------|---|---|--|--|--|--|
| Full-time | 2 | 2 | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

ACPE's becoming a federal lender will bring additional revenue through loan guarantees, interest subsidies and special allowance payments. Additional revenues will be used to continue to reduce educational financing costs to our borrowers.

Costs are identified for a total of four Alaska Federal Family Education Loan Program (AKFFELP)-related staff; two in FY2002 and two in FY2003. These positions are critical to ensure success as a federal lender. Compliance with federal requirements is required to retain the guarantee on the AKFFELP portfolio and to receive reimbursements for loan losses due to death, disability, bankruptcy and default. To assure compliance, a full-time compliance specialist is needed. Entry level for this job class is a Range 18, starting in FY2002. To address AKFFELP-related programming and reporting requirements, an additional programmer/analyst will be needed. Entry level is Range 22, starting in FY2002. Starting in FY2003, an accountant will be needed to facilitate required federal and guarantor reporting. Entry level for this position is Range 16. Also in FY2003, a

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Approved by: Diane Barrans, Executive Director *Diane Barrans* Date 3/12/2001
Agency: Alaska Commission on Postsecondary Education

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Analysis (continued)

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customer relations specialist is needed to meet growing demand for on-site financial aid training and information dissemination at high schools and postsecondary schools around Alaska. Entry level for this position is Range 14. Salary projections include anticipated annual merit increases.