

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 311
 (S) Publish Date: 4/16/02

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title State Trust Fund Monies BRU Revenue Operations
 Component Treasury
 Sponsor Senator Therriault
 Requester Senate HESS Committee Component No. 121

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	10.0	10.0	10.0	10.0	10.0	10.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1066 Public School Trust	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
1098 Children's Trust	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Treasury Division currently allocates \$5,000 in custodial fees per account per year to each fund that it manages. The Public School and Children's Trust each have to maintain two accounts at the custodial bank because their statutes require that we keep the principal and income separate. Therefore, they are each allocated \$10,000 (\$5,000 per account) of the total custody fee that the division pays. By merging these two accounts (principal and income) under this legislation for these two funds, our overall custody fees will not be reduced. The custodial bank contract is a flat fee, regardless of the number of accounts. Because the new allocation to each of the endowments would be only \$5,000 (instead of \$10,000 under the existing system), the General Fund would be charged the unallocated portion of the custody fees. The reduction in fees paid by the two trusts in this legislation would result in an increase in fees charged to the General Fund.

Prepared by: Betty Martin, Comptroller
 Division: Treasury
 Approved by: Larry Persily, Deputy Commissioner
 Agency: Department of Revenue

Phone 907-465-2352
 Date/Time 4/5/02 3:25 PM
 Date 4/5/2002