

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 375(W&M)
 (H) Publish Date: 2/8/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title An Act relating to establishment of a retirement RDU Taxation and Treasury
benefit liability acct; relating to Amerada Hess income Component Treasury Division
 Sponsor House Ways and Means
 Requester _____ Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB374 creates a new account in the Department of Revenue, Treasury Division, called the retirement benefit liability account. Subject to appropriation, it also directs one half of the income of the Amerada Hess earnings to this new account. APFC estimates the annual earnings at \$27.6 million dollars: 50% of the earnings would be \$13.8 million.

This fiscal note assumes the funds would stay in the retirement benefit liability account for one quarter and would be transferred to each political subdivision, including regional education attendance areas, participating in teachers' retirement system or public employees retirement system. The total amount available for transfer in FY2007 and in subsequent years would be \$13,912,125. In order to avoid administrative costs of processing the transfers, the Department of Revenue would work with

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 Division Treasury Date/Time 1/19/2006, 4:00 pm
 Approved by: Tom Boutin, Deputy Commissioner Date 1/19/2006
 Agency Department of Revenue

FISCAL NOTE #2

**STATE OF ALASKA
2006 LEGISLATIVE SESSION**

BILL NO. CSHB 375(W&M)

ANALYSIS CONTINUATION

the Department of Education and Early Development and Department of Commerce, Community and Economic Development for efficiencies in transferring the funds to the pension system participants according to their normal schedule of payments to political subdivisions, including regional educational attendance areas, participating in the pension systems.