

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 314(FIN)
 (H) Publish Date: 4/7/08

Identifier (file name): CSHB314(FIN)-DOR-TRE-4-6-08 Dept. Affected: Revenue
 Title Senate Bill 224 Transportation General Obligation Bonds RDU Taxation and Treasury
 Component Debt Management
 Sponsor Governor
 Requester House Finance Component Number 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous	1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0
TOTAL OPERATING	1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0

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	1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	1.0	1.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0	17,254.0

Estimate of any current year (FY2008) cost: 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

The Bill authorizes the voters of the state to consider up to a \$220,600,000 general obligation bond issue of the State of Alaska. This bond would carry the full faith and taxing authority of the State, and thereby achieve the lowest interest rate available to the State. If the proposition were approved in November 2008 it is anticipated Bonds would be issued in early 2009 and debt service would commence in FY 2010. The current interest rate is very favorable with 20 year amortization tax exempt interest rates for credits of this type in the 4.25% range. Interest rate achieved would depend on market conditions at the time bonds were sold. For modeling purposes the Department used an assumed rate of 4.7% and 20 year amortization for the bonds.

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 Division Treasury Date/Time 4/6/08 12:00 AM
 Approved by: Jerry Burnett Date 4/6/2008
Department of Revenue