

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 299
 (H) Publish Date: 1/19/10

Identifier (file name): _____ Dept. Affected: Revenue
 Title University Life Science Building RDU Taxation and Treasury
 Component Treasury
 Sponsor _____
 Requester _____ Component Number 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services							
Travel	15.0						
Contractual	885.0						
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
debt service	2,700.0		6,700.0	6,700.0	6,700.0	6,700.0	6,700.0
TOTAL OPERATING	3,600.0	0.0	6,700.0	6,700.0	6,700.0	6,700.0	6,700.0

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	2,700.0		6,700.0	6,700.0	6,700.0	6,700.0	6,700.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Certificate Proceeds	900.0						
TOTAL	3,600.0	0.0	6,700.0	6,700.0	6,700.0	6,700.0	6,700.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

The bill authorizes a partnership between the State of Alaska and the University to provide for the new project. The State will issue up to \$88,875,000 in Certificates of Participation (COPs) and the University will issue up to \$20 million of revenue bonds to pay for the project. The COPs will be repaid by appropriation from the general fund with an initial interest payment in fy 2011. The University Revenue bonds will be repaid from fees collected by the University and will most likely not be issued until the COP funds are depleted in early fy 2013.

Assuming an interest rate of 4.2% and a 20 year term annual payments are \$6.7 million. An initial interest payment of up to \$2.7 million would be made in fy 2011.

Prepared by: Deven Mitchell, Debt Manager Phone 465-3750
 Division Treasury Date/Time 12/9/09, 2:40pm
 Approved by: _____ Date _____