

# FISCAL NOTE

**STATE OF ALASKA**  
**2010 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSHB 329(TRA)  
 (H) Publish Date: 3/10/10

Identifier (file name): HB329-REV-TRS-2-11-10 Dept. Affected: Revenue  
 Title: Transportation Infrastructure Fund RDU: Taxation and Treasury  
 Component: Treasury Division  
 Sponsor: House Transportation  
 Requester: House Transportation Committee 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	FY 2016
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual	424.0	432.5	441.0	449.5	458.0	466.0	475.0	
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>424.0</b>	<b>432.5</b>	<b>441.0</b>	<b>449.5</b>	<b>458.0</b>	<b>466.0</b>	<b>475.0</b>	

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
New Transportation Infrastructure fund	424.0	432.5	441.0	449.5	458.0	466.0	475.0
<b>TOTAL</b>	<b>424.0</b>	<b>432.5</b>	<b>441.0</b>	<b>449.5</b>	<b>458.0</b>	<b>466.0</b>	<b>475.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**ANALYSIS:** (Attach a separate page if necessary)

House Bill 329 provides for a separate endowment fund to be set up in the amount of \$1 billion initially to be managed by the Commissioner of Revenue. It is anticipated the fund will grow by fuel tax receipts of approximately \$40 million per year. The fund would be managed with an the asset allocation of 55% Fixed Income, 45% Equity with asset allocations to be determined annually in order to achieve a six percent annual real rate of return over time. The costs include investment management fees, audit, accounting and custody fees. These costs are projected based on median market returns based on Callan and Associates capital market assumptions.

The balance of the fund does not reflect appropriations that would reduce the amount of the fund.

Prepared by: Pamela Leary, Comptroller and Jerry Burnett, Deputy Commissioner Phone 465-2300  
 Division: Treasury Division Date/Time 2-11-10; 12:36pm  
 Approved by: Ginger Blaisdell, Director Date 2-11-10; 12:40pm  
Administrative Services Division