

# FISCAL NOTE

**STATE OF ALASKA**  
**2009 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: **SB 37**  
 (S) Publish Date: **4/3/009**

Identifier (file name): SB37-DOR-TRS-03-30-09 Dept. Affected: Revenue  
 Title: Sudan Divestiture RDU: Treasury  
 Component: ARMB/ARMB Custody/Treasury  
 Sponsor: Senator French  
 Requester: Senate World Trade, Technology and Innovation Component Number: 2813/2812/121

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>
<b>CAPITAL EXPENDITURES</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

Estimate of any current year (FY2009) 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)

This bill requires the fiduciaries of state investment funds to divest of certain investments in publicly traded companies that conduct business operations or have direct investments in business operations in Sudan. While Treasury believes that active and passive separate account managers will not charge additionally for divestment, Treasury does not believe that managers of passive commingled funds will be able to comply with the divestment policy and that Sudan-free replacement funds will need to be identified. Currently, there are 25 funds (primarily participant directed funds) that would need to be replaced. Costs for conducting a search for a single fund is approximately \$25,000, although multiple fund searches would result in reduced costs. Other costs to be considered would include the opportunity cost of staff time to implement new contracts and any cost impact resulting from introducing additional plan options to participants. The effect this bill will have on investment performance is unknown.

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Department of Revenue

Phone: 465-2300  
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 Date: 3/30/2009