

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 4
 Bill Version CSHB 104(FIN)
 (H) Publish Date 4/12/11

Identifier (file name): CSHB104-DOR-TRS-3-21-11 Dept. Affected Revenue
 Title AlaskAdvantage educ grant / AK Performance Scholarship Fund Appropriation Treasury and Taxation
 Allocation Treasury and Taxation
 Sponsor Rules by Request of the Governor
 Requester House Finance Committee OMB Component Number 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	0.0	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							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) 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

Why this fiscal note differs from previous version (if initial version, please note as such)

Given the limitations on the fund, the investments will be comingled with GEFONSI rather than incurring separate costs. Since the bill limits the amount in the Fund to \$160 million we will be required to keep the investments in fixed income to avoid the possibility of loss in value rather than managing the Fund separately to achieve a 5% return as we would have under the original bill.

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 Division Treasury Division
 Approved by Ginger Blaisdell, Director Administrative Services Division
Department of Revenue

Phone 465-2350
 Date/Time 3/21/11 3:00 PM
 Date 3/21/2011

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BILL NO. CSHB 104(FIN)

Analysis

The bill provides for the Alaska Advantage education grant and Alaska Performance Scholarship fund to be managed by the Commissioner of Revenue. As the fund will maintain a balance of \$160 million or less with a three year horizon, this fund is best invested in the GeFonsi and therefore no additional costs will be associated with managing the fund.