

Fiscal Note

State of Alaska
2015 Legislative Session

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| Bill Version: | CSSB 64(EDC) |
| Fiscal Note Number: | 1 |
| (S) Publish Date: | 3/23/2015 |

Identifier: SB064CS(EDC)-EED-SDR-3-18-15
 Title: SCHOOL BOND DEBT REIMBURSEMENT
 Sponsor: FINANCE
 Requester: Senate Finance Committee

Department: Debt Service
 Appropriation: Debt Service
 Allocation: School Debt Reimbursement
 OMB Component Number: 153

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2016 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2016 Request | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| OPERATING EXPENDITURES | FY 2016 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Personal Services | *** | | *** | *** | *** | *** | *** |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | *** | 0.0 | *** | *** | *** | *** | *** |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|-----|------------|-----|-----|-----|-----|-----|
| None | | | | | | | |
| Total | *** | 0.0 | *** | *** | *** | *** | *** |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

Estimated SUPPLEMENTAL (FY2015) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

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|---|
| The Committee Substitute changes the effective date of the legislation from May 1, 2015 to January 1, 2015. |
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| Prepared By: Elizabeth Nudelman, Director | Phone: (907)465-8679 |
| Division: School Finance and Facilities | Date: 03/18/2015 12:15 PM |
| Approved By: Mike Hanley | Date: 03/18/15 |
| Agency: Commissioner | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

Analysis

Sectional Analysis

Sec. 1 adds a new subsection, AS 14.11.014(d), which closes the school debt program to new school bond debt applications for indebtedness authorized by voters from January 1, 2015 to June 30, 2020. (Note, debt authorized by voters prior to January 1, 2015 is not affected by this legislation.)

Sec. 2 amends AS 14.11.100(a)(16) by sunsetting the 70% program as of January 1, 2015. This section also amends AS 14.11.100(a)(18) by removing the section; which was passed under HB278 (Ch15 SLA14) to lower the 60% debt category to 50% effective May 15, 2015.

Sec. 3 adds new sections AS 14.11.100(a)(18) and AS 14.11.100(a)(19).

(18) The language added at AS 14.11.100(a)(18) parallels the language for the 70% program under AS 14.11.100(a)(16), but sets the reimbursement rate at 50% for bonds authorized by municipal voters on or after July 1, 2020.

(19) The language added at AS 14.11.100(a)(19) parallels the language for the 60% program at AS 14.11.100(a)(17), but sets the reimbursement rate to 40%; includes debt approved by voters on or after July 1, 2020.

Sec. 4 provides that the commissioner may not approve an application for bond debt reimbursement for school construction or major maintenance for indebtedness authorized by voters from January 1, 2015 to June 30, 2020.

Sec. 5 provides that the commissioner may not allocate funds to a municipality under AS 14.11.100 for the retirement of indebtedness authorized by voters from January 1, 2015 to June 30, 2020.

Sec. 6 repeals AS 14.11.014(d), AS 14.11.100(s), and AS 14.11.102(c) as of July 1, 2020.

Sec. 7 provides for retroactivity to January 1, 2015 for sections 1, 2, 4, and 5 of this Act.

Sec. 8 provides that section 3 this Act takes effect July 1, 2020.

Sec. 9 provides that sections 1, 2, 4, 5, and 7 of this Act takes effect immediately under AS 01.10.070(c).