Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version:	SB 110
Fiscal Note Number:	2
(S) Publish Date:	4/12/2019

Identifier: LL0107-DCCED-PCE-04-10-19
Title: REPEALING FUNDS; COMMUNITY ASSISTANCE
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Commerce, Community and Economic Development
Appropriation: Alaska Energy Authority
Allocation: Alaska Energy Authority Power Cost Equalization
OMB Component Number: 2602

Expenditures/Revenues

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

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2020**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Fund Source (Operating Only)

1004 Gen Fund (UGF)		32,355.0					
1169 PCE Endow (DGF)		(32,355.0)					
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2020) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes

(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the 02/13/19 Governor's FY2020 request.

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Division:	Alaska Energy Authority	Date:	04/10/2019 05:00 PM
Approved By:	April A. Wilkerson, Administrative Services Director	Date:	04/10/19
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

This bill would repeal various funds in the general fund, including the community assistance fund, the civil legal services fund, the power cost equalization endowment fund, the power cost equalization and rural electric capitalization fund, the curriculum improvement and best practices fund, the school construction grant fund, the major maintenance grant fund, and the Alaska higher education investment fund. The bill's effective date is July 1, 2019.

The power cost equalization endowment fund is a separate fund of the Alaska Energy Authority (Authority) within the general fund. The Power Cost Equalization Grant program is funded from the investment earnings. The commissioner of revenue is the fiduciary of the fund.

The power cost equalization and rural electric capitalization fund is established as a separate fund for the purpose of paying money from the fund to eligible utilities in the state for equalizing power costs per kWh statewide and to make grants to eligible utilities to improve performance of the utility. The fund is administered by the Authority, however, it is inactive.

The fiscal impact to the Authority's Power Cost Equalization component is a fund source change from the power cost equalization endowment fund to undesignated general funds to fund the Power Cost Equalization Grant program in FY2020 and beyond. This change is included in the Governor's FY2020 amended budget. In FY2020, the estimated cost of funding the power cost equalization grant program is $32,355.0. This includes $32,000.0 in grants line authorization and $355.0 in costs to administer the fund by the Authority.

If this legislation is adopted, the balance of the Power Cost Equalization Endowment will be transferred to the General Fund. A separate fund capitalization fiscal note reflects the estimated change in revenues calculated as the fund balance as of June 30, 2018, less FY2019 appropriations.