

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version:	SB 125
Fiscal Note Number:	3
(S) Publish Date:	4/5/2023

Identifier: 0074-DOR-AHFC-04-04-23
 Title: AK HOUSING FINANCE CORP: SUSTAIN ENERGY
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Revenue
 Appropriation: Alaska Housing Finance Corporation
 Allocation: AHFC Operations
 OMB Component Number: 110

Expenditures/Revenues

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

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES								
Personal Services	300.0		300.0	300.0	300.0	300.0	300.0	300.0
Travel	25.0		25.0	25.0	25.0	25.0	25.0	25.0
Services	75.0		75.0	75.0	75.0	75.0	75.0	75.0
Commodities	50.0		50.0	50.0	50.0	50.0	50.0	50.0
Capital Outlay								
Grants & Benefits								
Miscellaneous	40,000.0							
Total Operating	40,450.0	0.0	450.0	450.0	450.0	450.0	450.0	450.0

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	20,000.0							
1004 Gen Fund (UGF)	20,450.0		450.0	450.0	450.0	450.0	450.0	450.0
Total	40,450.0	0.0	450.0	450.0	450.0	450.0	450.0	450.0

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) cost: 20,450.0 *(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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/23

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Alaska Housing Finance Corporation	Date:	03/31/2023 01:00 PM
Approved By:	Eric DeMoulin, Director	Date:	03/31/23
Agency:	Department of Revenue		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

Analysis

The proposed legislation amends existing Alaska Housing Finance Corporation (AHFC) statutes to authorize creation of a nonprofit subsidiary corporation for the purpose of sustainable energy development through a sustainable energy fund, identified as the "Alaska Energy Independence Fund." The subsidiary will use federal grants, AHFC deposits, unrestricted loan payments, interest, or other income earned on loans, investments, or assets of the fund to make loans, secure bonds, loan guarantees, credit enhancements, equity capital, indirect funding, and other financial products.

This fiscal note identifies the initial capital investment and budget authority necessary for the subsidiary to achieve its stated purpose. Based on analysis of prior bills introduced in the Alaska Legislature, (SB123, HB 170), the Alaska Energy Independence Fund would require a total of \$40.45 million in FY2024 Capital Funding, with \$20 million in federal receipt authority and \$20.45 million in unrestricted general funds. The unrestricted general funds are required for the initial capital outlay of the program and fund initial program start-up costs.

Revenues generated from the fund are expected to sustain operating expenses starting in FY2025. Operating budget authority will be necessary for these operating expenses.

Additional federal and statutory designated program receipt authority may be necessary in subsequent fiscal years as related funding opportunities are identified.