

# Fiscal Note

State of Alaska  
2024 Legislative Session

Bill Version:	CSSB 125(FIN)
Fiscal Note Number:	6
(S) Publish Date:	5/12/2024

Identifier: SB125CS(FIN)-DOR-AHFC-02-08-24  
 Title: AK HOUSING FINANCE CORP: SUSTAIN ENERGY  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: SENATE FINANCE COMMITTEE

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>OPERATING EXPENDITURES</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>
Personal Services	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
Services	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
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>450.0</b>	<b>0.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	450.0		450.0	450.0	450.0	450.0	450.0
<b>Total</b>	<b>450.0</b>	<b>0.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>

**Positions**

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

**Change in Revenues**

None							
<b>Total</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>

**Estimated SUPPLEMENTAL (FY2024) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2025) cost:** 20,000.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26

**Why this fiscal note differs from previous version/comments:**

This fiscal note responds to the Senate Finance committee substitute that is focused on the development of a subsidiary of AHFC that can pursue federal and other funds.

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 Agency: Department of Revenue

Phone: (907)330-8359  
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REPORTED OUT OF  
SFC 05/12/2024

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2024 LEGISLATIVE SESSION**Analysis**

The proposed legislation amends the Alaska Housing Finance Corporation statutes to authorize creation of a subsidiary corporation for the purpose of sustainable energy development. The subsidiary's debts, liabilities and obligations are not the debts, liabilities or obligations of either Alaska Housing Finance Corporation or the State of Alaska.

The Subsidiary would work in collaboration with Alaska Energy Authority to provide technical and other assistance to public, quasi-public, or nonprofit organizations for sustainable energy development as defined in the bill.

To achieve its purpose, the Subsidiary would require \$20 million in federal receipt authority. Additional federal and statutory designated program receipt authority may be necessary in subsequent fiscal years as funding opportunities are identified.

This fiscal note requests the required operating funds as Unrestricted General Funds. The subsidiary would incur annual operating costs, estimated to be approximately \$450.0. Operating costs would include two PCNs for a Program Manager (Range 22) and a Program Assistant (Range 17) at an annual cost of \$300.0. The Subsidiary is also anticipated to have travel, contractual services, and supply expenses in the operating budget for a total of \$150.0. As the Subsidiary develops, additional grant and other funding may supplant or replace future, ongoing operating expenses.

Estimated costs associated with the Subsidiary are informed by AHFC's prior experience managing subsidiaries, including the Northern Tobacco Settlement Corporation, Alaska Corporation for Affordable Housing, and Alaska Housing Capital Corporation.

The bill has an immediate effective date.