

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version:	SB 11
Fiscal Note Number:	4
(S) Publish Date:	4/7/2025

Identifier: SB011-DOR-AHFC-2-07-25  
 Title: FLOOD INSURANCE  
 Sponsor: STEDMAN  
 Requester: Senate Labor and Commerce

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)

	FY2026	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2026 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>OPERATING EXPENDITURES</b>	<b>FY 2026</b>	<b>FY 2026</b>					
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	<b>0.0</b>	***	***	***	***	***

**Fund Source (Operating Only)**

None							
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

**Positions**

Full-time							
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 (FY2025) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2026) 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? 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26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:**

Not applicable, initial version.

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Division:	Alaska Housing Finance Corporation	Date:	02/07/2025 04:00 PM
Approved By:	Janelle Earls, Administrative Services Director	Date:	02/07/25
Agency:	Department of Revenue		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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**Analysis**

Senate Bill (SB) 11 modifies existing AS 21.39.030(a) to include language concerning flood insurance, authorizes the creation of an Alaska Flood Authority, and designates rules and procedures of the Alaska Flood Authority. The proposed legislation designates the member composition of the Alaska Flood Authority which includes an Alaska Housing Finance Corporation (AHFC) representative.

SB11 specifically states that the Legislature may appropriate up to \$5 million from cash reserves of the Alaska Housing Finance Corporation to satisfy a legally authorized claim against the proposed flood insurance program. It should be noted that AHFC does not maintain cash reserves. Any draws on the Corporation from the Legislature will need to occur through AHFC's Dividend Program. Failure to do this may jeopardize AHFC's bond rating and future ability to issue debt.

The legislation does not specify limits on how many times the Legislature may appropriate funds from the Alaska Housing Finance Corporation to satisfy flood insurance claims, therefore, the fiscal impact of the bill is indeterminate.