

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 7  
 Bill Version: SCSCSHB51(FIN)  
 (S) Publish Date: 5/13/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title Legislative Approval BRU Revenue Operations  
of Seafood / Food Safety Lab Component Treasury  
 Sponsor House Rules Committee  
 Requester Senate Rules Committee Component No. 121

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel	10.0					
Contractual	8.0	7.0	7.0	7.0	7.0	7.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Debt Service		923.8	921.6	919.9	925.7	923.0
<b>TOTAL OPERATING</b>	<b>18.0</b>	<b>930.8</b>	<b>928.6</b>	<b>926.9</b>	<b>932.7</b>	<b>930.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	18.0	930.8	928.6	926.9	932.7	930.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>18.0</b>	<b>930.8</b>	<b>928.6</b>	<b>926.9</b>	<b>932.7</b>	<b>930.0</b>

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Authorizes the issuance of \$11,595,900 in bonds for the construction and financing of a seafood and food safety laboratory to be operated by the Department of Environmental Conservation.

Assuming an interest cost of 4.96% (approximately the current rate), and a 20-year term, the annual debt service payment would be approximately \$924,000 beginning in fiscal year 2004 with a total repayment of approximately \$18.5 million. The cost of issuance, estimated at \$200,000, are included in the project budget.

It is possible that the State Bond Committee might prefer to shorten the term on these bonds by two to five years to maintain a higher credit rating on the bonds. In this event, the required annual payments could increase by as much as \$200,000 per year but total repayment would be reduced by as much as \$3.1 million.

Prepared by: Deven Mitchell, State Debt Manager Phone 465-3750  
 Division Treasury Division Date/Time 5/13/02 4:14 PM  
 Approved by: Larry Persily, Deputy Commissioner Date 5/13/2002  
 Agency Department of Revenue