

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 146  
 (H) Publish Date: 2/23/01

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Harbor Facilities Financing BRU: Revenue Operations  
 Component: Treasury Division  
 Sponsor: Rules Committee  
 Requester: Governor Component Number: 121

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

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel	15.0					
Contractual	10.0	10.0	10.0	10.0	10.0	10.0
Supplies	1.0					
Equipment						
Land & Structures						
Grants & Claims						
Debt Service		4,421.0	4,420.7	4,422.1	4,421.9	4,421.2
<b>TOTAL OPERATING</b>	<b>26.0</b>	<b>4,431.0</b>	<b>4,430.7</b>	<b>4,432.1</b>	<b>4,431.9</b>	<b>4,431.2</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	26.0	4,431.0	4,430.7	4,432.1	4,431.9	4,431.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>26.0</b>	<b>4,431.0</b>	<b>4,430.7</b>	<b>4,432.1</b>	<b>4,431.9</b>	<b>4,431.2</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This legislation authorizes issuance of \$43,680,000 in Certificates of Participation (COP) to provide funding for deferred maintenance and construction projects on certain harbors in the state. Title to those harbors receiving deferred maintenance funding will be transferred to the municipality where they are located, with the harbors then leased back to the state for an amount equal to annual debt service on the COPs. All lease payments will be applied to debt service, and the leases may terminate following the payment and retirement of the COPs.

Assuming an interest cost of 5.85% (approximately 1% above current rates), and a 15-year term, the annual debt service will be approximately \$4.42 million beginning in fiscal year 2003 with total repayment of approximately \$66.4 million over the entire term.

Prepared by: Deven Mitchell, State Debt Manager Phone 465-3750  
 Division: Treasury Division Date/Time Feb. 22, 2001, 10 a.m.  
 Approved by: Larry Persily, Deputy Commissioner Date Feb. 23, 2001  
 Agency: Department of Revenue

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