

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 287(FSH)
 (H) Publish Date: 3/6/02

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Exempt Entry Permits from Creditor Claims BRU Investments (122)
 Component Investments
 Sponsor Representative Scalzi
 Requester House Special Committee on Fisheries Component No. 383

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						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (21608)	(21.8)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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)

Section 2 of HB 287 removes the one-half percent refinancing fee and that will result in a reduction of income to the Commercial Fishing Revolving Loan Fund (CFRLF). Interest rates are currently at record lows and as a result, the Division anticipates that the majority of borrowers eligible to refinance will do so prior to the effective date of this legislation. We expect approximately 100 refinancing applications in FY 03 and then approximately 70 applications per year thereafter. This will result in a reduction to the fund in FY 03 of \$21,750 and a reduction of \$15,225 each year thereafter through FY 08. These reductions were calculated as follows:

100 loans X \$43,500 (average loan size) = \$4,350,000 X .005 = \$21,750
 70 loans X \$43,500 = \$3,045,000 X .005 = \$15,225

These calculations are based interest rates remaining relatively flat or increasing gradually through FY 08.

Prepared by: Greg Winegar, Director Phone 465-2510
 Division Investments Date/Time 2/7/02 4:50 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 2/7/2002
 Agency Department of Community & Economic Development