

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: CSHB 304(FSH)  
 (H) Publish Date: 3/24/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Commerce  
 Title Commercial Fishing Loan Program RDU Investments (122)  
 Component Investments  
 Sponsor Coghill  
 Requester House Fisheries Component No. 383

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

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

| OPERATING EXPENDITURES | FY 2007    | FY 2008    | FY 2009    | FY 2010    | FY 2011    | FY 2012    |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services      |            |            |            |            |            |            |
| Travel                 |            |            |            |            |            |            |
| Contractual            |            |            |            |            |            |            |
| Supplies               |            |            |            |            |            |            |
| Equipment              |            |            |            |            |            |            |
| Land & Structures      |            |            |            |            |            |            |
| Grants & Claims        |            |            |            |            |            |            |
| Miscellaneous          |            |            |            |            |            |            |
| <b>TOTAL OPERATING</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> |

| CAPITAL EXPENDITURES | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 |
|----------------------|---------|---------|---------|---------|---------|---------|
|                      |         |         |         |         |         |         |

| CHANGE IN REVENUES (1036) | FY 2007    | FY 2008       | FY 2009       | FY 2010       | FY 2011        | FY 2012        |
|---------------------------|------------|---------------|---------------|---------------|----------------|----------------|
|                           | <b>0.0</b> | <b>(33.0)</b> | <b>(64.8)</b> | <b>(95.4)</b> | <b>(124.6)</b> | <b>(152.4)</b> |

**FUND SOURCE** (Thousands of Dollars)

| FUND SOURCE              | FY 2007    | FY 2008    | FY 2009    | FY 2010    | FY 2011    | FY 2012    |
|--------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts    |            |            |            |            |            |            |
| 1003 GF Match            |            |            |            |            |            |            |
| 1004 GF                  |            |            |            |            |            |            |
| 1005 GF/Program Receipts |            |            |            |            |            |            |
| 1037 GF/Mental Health    |            |            |            |            |            |            |
| Other                    |            |            |            |            |            |            |
| <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> |

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

| POSITIONS | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 |
|-----------|---------|---------|---------|---------|---------|---------|
| Full-time |         |         |         |         |         |         |
| Part-time |         |         |         |         |         |         |
| Temporary |         |         |         |         |         |         |

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

This bill would make several changes to the Commercial Fishing Revolving Loan Fund (CFRLF). Two of the changes would result in fewer loans being made that would reduce the amount of interest earned by the fund. Section 1 of the bill would reduce the amount of vessel and gear refinancing allowed from \$300,000 to \$200,000. The department estimates that this would result in one fewer loan each year totaling \$200,000. A 9% interest rate and a 9.6% delinquency rate were used in the calculation of lost interest earnings.

Section 3 of the bill would reduce the total amount that a borrower could have in outstanding loans at any given time from \$630,000 to \$335,000. The department estimates that this would result in three fewer loans per year totaling \$204,639. A 9% interest rate and a 9.6% delinquency rate was also used in this calculation of lost interest earnings.

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