

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 304(FIN)
 (H) Publish Date: 4/21/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Commercial Fishing Loan Program RDU Investments (122)
 Component Investments
 Sponsor Coghill
 Requester Finance 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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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
	0.0	(21.8)	(42.9)	(63.2)	(82.5)	(100.9)

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 (FY2006) cost: 0.0

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

POSITIONS

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.

Section 3 of the bill would reduce the total amount that a borrower could have in outstanding loans at any given point in time from \$630,000 to \$400,000. The department estimates that this would result in one less loan per year totaling \$68,213. A 9% interest rate and a 9.6% delinquency rate was also used in this calculation.

Prepared by: Greg Winegar, Director
 Division: Investments
 Approved by: William C. Noll, Commissioner
 Agency: Commerce, Community, and Economic Development

Phone (907) 465-2510
 Date/Time 4/19/06 10:13 AM
 Date 4/19/2006