

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 304
 (S) Publish Date: 3/10/06

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
 Title Airport Parking Shuttles/Charges RDU Aviation
 Component International Airport System Office
 Sponsor Senate Transportation Committee
 Requester _____ Component No. 1649

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						
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CHANGE IN REVENUES ()						
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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 (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 will not have a fiscal impact on the operations of the Department; however, its likely effect will be to shift a cost burden of between \$150,000 and \$200,000 from the off-site businesses to the signatory airlines that use the facilities of the International Airport System at Anchorage and Fairbanks. This is because, under the residual agreement between the airlines and the Department, the operations of the airports are revenue-neutral. Signatory airlines are obligated to pay the cost of operating the airports. Some of those costs are off-set by other airport users, such as car rental agencies and gift shops, which obtain their leases at a fair market value. If some of those sources of funds are eliminated, then the cost will be shifted to higher landing fees and terminal rental rates, and downstream to the ticket purchaser. The bill would undermine changes the Legislature enacted last year to AS 02.15.090(h) and (1) to provide the financing mechanism (customer facility charge) for the Anchorage airport rental car facility, currently under construction. The 8 percent Airport Parking Service fee is currently under administrative appeal.

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 Approved by: Mike Barton, commissioner
 Agency: DOT&PF

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 Date/Time 2/28/06 at 11 am
 Date 2/28/06