

Fiscal Note

Fiscal Note Number: 15
Bill Version: SCS CSHB 121(FIN)
(H) Publish Date: 4/30/12

State of Alaska
 2012 Legislative Session

Identifier: HB121-DCCED-DED-12-14-11
 Title: LOAN
 FUNDS:CHARTERS/MARICULTURE/MICROLOA
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 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Senate Finance

Department: Department of Commerce, Community and
 Economic Development
 Appropriation: Investments
 Allocation: Investments
 OMB Component Number: 383

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2013 Appropriation Requested	Included in Governor's FY2013 Request	Out-Year Cost Estimates					
			FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
OPERATING EXPENDITURES								
Personal Services	61.3		67.0	67.0	67.0	67.0	67.0	67.0
Travel	7.0		7.0	7.0	7.0	7.0	7.0	7.0
Services	12.0		10.0	10.0	10.0	10.0	10.0	10.0
Commodities	5.0							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	85.3	0.0	84.0	84.0	84.0	84.0	84.0	84.0

Fund Source (Operating Only)

1223 CharterRLF	19.0		18.7	18.7	18.7	18.7	18.7	18.7
1224 MariculRLF	19.0		18.7	18.7	18.7	18.7	18.7	18.7
1225 CQuota RLF	37.9		37.3	37.3	37.3	37.3	37.3	37.3
1227 Micro RLF	9.4		9.3	9.3	9.3	9.3	9.3	9.3
Total	85.3	0.0	84.0	84.0	84.0	84.0	84.0	84.0

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2012) cost: 0.0

Estimated CAPITAL (FY2013) cost:

Reason For Change:

Established new funding codes for three new loan programs and applied ratio across fund sources.

Analysis:

HB 121 would create the Alaska Microloan Revolving Loan Fund, the Mariculture Revolving Loan Fund, and the Commercial Charter Fisheries Revolving Loan Fund within the Department of Commerce, Community, and Economic Development. The programs would be set up as revolving loan funds so that all earnings and loan payments would be retained by the funds for future loans.

It is expected that all operating expenses would also be paid from earnings of the fund. However, should the new funds not generate enough earnings in the first year to cover the operating costs, they would need to be supplemented with general fund.

This fiscal note details the operations funds needed to administer the funds.

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Commercial Charter Fisheries Revolving Loan Fund -- The cost projections that are provided include existing division staff to conduct outreach trips to promote the loan fund and to prepare the necessary regulations. These operating expenses would be paid by the earnings of the fund, as is the case with other existing division loan funds. The cost projections that are provided include travel for existing division staff to conduct several outreach trips to promote the fund. For FY14-18, \$3.5 of the \$84.0 costs in this fiscal note are expenses related to the Commercial Charter Fisheries Revolving Loan Fund.

Mariculture Revolving Loan Fund -- No additional operating expenses are required to implement this loan fund.

Alaska Microloan Revolving Loan Fund -- All operating expenses would be paid from earnings of the fund. Projected operating expenses are for personal services for a Loan Closer I for one year of training and flexing to a Loan Closer II in succeeding years. The new position would be responsible for intake and set up of initial application, upfront due diligence verifications, data entry to the LOANS.net proprietary tracking and accounting system, production and finalization of security documents, lien recording and perfection, and disbursement of loan proceeds. There would also be one-time set-up for expenses (supplies and equipment) and annual contractual support services cost. In addition, existing division staff would conduct several outreach trips to promote the fund and prepare the necessary regulations. For FY14-18, \$80.5 of the 84.0 costs in this fiscal note are expenses related to the Alaska Microloan Revolving Loan Fund.