

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 1
 Bill Version HB 196
 (H) Publish Date 3/30/11

Identifier (file name) HB196-CCED-AEA-03-18-11 Dept. Affected DCCED
 Title Bulk Fuel Loans/Power Project Fund Appropriation Alaska Energy Authority
 Allocation Alaska Energy Authority Rural
 Sponsor Representative Edgmon Energy Operations
 Requester House Community and Regional Affairs OMB Component Number 2600

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personal Services							
Travel							
Services			(53.6)				
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	(53.6)	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES			(50.0)				
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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							
1074 Bulk Fuel			(53.6)				
TOTAL	0.0	0.0	(53.6)	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note is the initial version.

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 Division Alaska Energy Authority
 Approved by Susan K. Bell, Commissioner
Commerce, Community, and Economic Development

Phone 907-771-3013
 Date/Time 3/18/11 3:00 PM
 Date 3/19/2011

Analysis

This legislation amends AS 42.45 to establish the bulk fuel revolving loan fund (BFRLF) in the Division of Community & Regional Affairs (Division) in the Department of Commerce, Community & Economic Development (DCCED). With the exception of the adoption of regulations by DCCED necessary to implement this Act, the effective date of this legislation is January 1, 2012.

There is no fiscal impact to the Alaska Energy Authority (AEA) for the fiscal year 2012 because loans for the purchase of fuel are generally made in the first half of the fiscal year. As a result, the impact to AEA will be in FY 2013.

The impact of this legislation to the Alaska Energy Authority is:

- 1) Removes the provision to make loans from the power project fund to the bulk fuel revolving loan fund for the purposes described in AS 42.45.250.
- 2) A reduction of \$53.6 in BFRLF receipts to the FY 2013 AEA Rural Energy Operations component, representing the estimated outlay of the fund for the costs of administration.

Change in Revenues:

This legislation repeals AS 42.45.250 (j) that allows AEA to adopt regulations to establish and charge fees for services provided. AEA established regulations authorizing a non-refundable \$25 application fee (3 AAC 106.300), an origination fee of one-half percent of the total loan amount (3 AAC 106.340), and at its discretion, reimbursement of any applicant expenses incurred by AEA in processing an application (3 AAC 106.340). Because this legislation does not allow for the collection of fees, the impact is estimated to be a reduction of \$50.0 in revenues to the General Fund in FY 2013. Actual fees collected in FY 2010 totaled \$48.0 and are estimated to be \$50.0 in FY 2011 and FY 2012.