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STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 412
 Title: Alternative Technology Energy
 Loan Fund
 Sponsor: Senator Vic Fischer
 Requestor: Senate Resources
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Development
 Program Category Affected: Development
 BRU, Program or Subprogram(s) Affected: Investments

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		205.3	205.3	205.3	205.3	205.3
200 TRAVEL		11.9	11.9	11.9	11.9	11.9
300 CONTRACTUAL		14.0	14.0	14.0	14.0	14.0
400 SUPPLIES		1.7	1.7	1.7	1.7	1.7
500 EQUIPMENT		21.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		254.4	232.9	232.9	232.9	232.9
LOANS: DETAIL		10,000.0	10,000.0	8,000.0	8,000.0	8,000.0
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		10,254.4	10,232.9	8,232.9	8,232.9	8,232.9
FEDERAL FUNDS						
OTHER						
TOTAL		10,254.4	10,232.9	8,232.9	8,232.9	8,232.9

POSITIONS:

FULL-TIME		5.0	5.0	5.0	5.0	5.0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

See attachment

ANALYSIS: Attach a separate page for analysis

Prepared By: Paul B. Arnoldt, Director
 Division: Investments and Veterans' Affairs

Phone: 465-2510
 Date: 2/8/84

Approved by Commissioner: Richard A. Lyon
 Agency: Commerce and Economic Development

Date: 3/12/84

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

FISCAL ANALYSIS
SB 412

The Division of Investments & Veterans' Affairs estimates that expansion of the Alternative Technology Energy Loan Program under this measure would produce an increase in the demand for loans in the \$8 million to \$14 million range. --Loans to businesses and for conversions of heating systems to natural gas would make up approximately \$8 million of this increased demand. Additionally, the favorable terms for loans for "energy conservation improvements" would create approximately \$2 million of new demand. It should be noted that these loans would be in lieu of loans under the existing Residential Energy Conservation Program.

If a \$10 million initial loan demand can be assumed, the division believes that three additional loan examiners and two loan closers would be required to handle the increased work load. The division estimates that most applicants would seek to borrow the maximum available under the program at the favorable five percent (5%) interest rate up to \$15,000. If total loan demand is \$10 million and the average loan amount is \$11,000, the division would have to process an estimated 725 new loans. Experience with the Residential Energy Conservation Program indicates that three loan examiners would be required to process these applications. One examiner would be located in each of the division's three regional offices: Anchorage, Fairbanks and Juneau. Two additional loan closers would be needed for the additional volume of loan closing and would be located in Anchorage and Fairbanks. The Juneau regional office would not need an additional loan closer.

100 line detail:

Juneau:	(1) Loan Examiner II, Range 17A	Salary	\$33,084.00
		Benefits	10,158.86
		Total	<u>\$43,242.86</u>
Anchorage:	(1) Loan Examiner II, Range 17A	Salary	\$33,084.00
		Benefits	10,158.86
		Total	<u>\$43,242.86</u>
	(1) Loan Closer II, Range 12A	Salary	\$24,396.00
		Benefits	8,207.54
		Total	<u>\$32,603.54</u>
Fairbanks:	(1) Loan Examiner II, Range 17A	Salary	\$38,124.00
		Benefits	11,290.84
		Total	<u>\$49,414.84</u>
	(1) Loan Closer II, Range 12A	Salary	\$27,804.00
		Benefits	8,972.97
		Total	<u>\$36,776.97</u>
Total 100 Line: (12 months)			\$205,281.07

Estimates for other lines assume that the new employees required for this program change will require support at levels similar to that actually being incurred by the division on other loan programs. A July 1, 1984 effective date is assumed.

200 Line: Travel to inspect collateral, interview applicants and inform the public on program: \$3,950 per loan examiner. (3 x \$3,950 = \$11.9)

300 Line: Printing and advertising expense. Estimate: \$14.0

400 Line: Commodities for five new employees. Estimate: \$1.7

500 Line:	3 calculators at \$365 each	\$ 1,095
	3 microfiche readers at \$300 each	900
	2 typewriters at \$1,242 each	2,484
	3 support work stations at \$3,890 each	11,670
	2 technician work stations at \$2,696 each	5,392
	TOTAL	<u>\$21,541</u>

STATE OF ALASKA 1984 LEGISLATIVE SESSION
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Revision Date: _____

REQUEST

Bill/Resolution No.: SB 412
Title: Alternative Energy & Energy
Revolving Loan Fund
Sponsor: Senator Vic Fischer
Requestor: Senator Vic Fischer
Date of Request: 2/8/84

FISCAL DETAIL

Agency Affected: Commerce & Economic Development
Program Category Affected: Development
BRU, Program or Subprogram(s) Affected: Division of Accounting & Collections BRU
Data Processing BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		59.7	62.7	102.4	107.5	148.5
200 TRAVEL		1.2	2.4	3.6	4.8	6.0
300 CONTRACTUAL		28.1	50.8	73.9	97.0	110.1
400 SUPPLIES		6.8	8.6	10.8	13.4	18.0
500 EQUIPMENT		21.3	0.0	3.4	0.0	3.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		117.1	124.5	194.1	222.7	286.0
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND		117.1	124.5	194.1	222.7	286.0
FEDERAL FUNDS						
OTHER						
TOTAL		117.1	124.5	194.1	222.7	286.0

POSITIONS:

FULL-TIME		2.0	2.0	3.0	3.0	4.0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

General Fund

ANALYSIS: Attach a separate page for analysis

Prepared By: Margaret I. Hamley, Director Phone: 465-2555
Division: Accounting and Collections Date: 3-1-84
Approved by Commissioner: Richard A. Lyon Date: 3/10/84
Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

FISCAL NOTE ADDENDUM
(Assumes net increase of 1,000 new loans/year)

		<u>FY '85</u>	<u>FY '86</u> (+5%)	<u>FY '87</u> (+5%)	<u>FY '88</u> (+5%)	<u>FY '89</u> (+5%)
<u>PERSONAL SERVICES</u>						
Clerk III	\$1,598/mo.					
Range 08B	Salary	\$19,176	\$20,135	\$21,142	\$22,199	\$23,310
	Benefits	7,438	7,810	8,200	8,610	9,041
Accounting						
Tech. I	\$2,033/mo.					
Range 12B	Salary	\$24,396	\$25,616	\$26,897	\$28,242	\$29,654
	Benefits	8,715	9,150	9,610	10,090	10,595
Accounting						
Tech. I	\$2,033/mo.					
Range 12B	Salary	\$ -	\$ -	\$26,897	\$28,242	\$29,654
	Benefits	-	-	9,610	10,090	10,595
Accounting						
Clerk III	\$1,803/mo.					
Range 10B	Salary	\$ -	\$ -	\$ -	\$ -	\$25,965
	Benefits	-	-	-	-	9,645
<u>TOTAL LINE 100</u>		<u>\$59,725</u>	<u>\$62,711</u>	<u>\$102,356</u>	<u>\$107,473</u>	<u>\$148,459</u>
<u>TRAVEL (200)</u>						
Collections Travel		1.2	2.4	3.6	4.8	6.0
<u>CONTRACTUAL (300)</u>						
DP Chargeback						
(at \$18.00/loan)		18.0	36.0	54.0	72.0	90.0
DP Line Charges (2)		4.0	4.0	4.0	4.0	4.0
Telephone		2.6	4.8	7.4	10.0	12.6
Postage		1.5	2.0	2.5	3.0	3.5
Printing		2.0	4.0	6.0	8.0	10.0
<u>SUBTOTAL LINE 300</u>		28.1	50.8	73.9	97.0	110.1
<u>COMMODITIES (400)</u>						
Payment Coupon Forms]						
DP Supplies]		6.8	8.6	10.8	13.4	18.0
Microfiche Supplies]						
<u>EQUIPMENT (500)</u>						
Calculators @ \$300/ea		.6		.3		.3
Microfiche Readers @ \$300/ea		.6		.3		.3
Workstations @ \$2,800/ea		5.6		2.8		2.8
DP Equipment		10.0				
Microfiche Printer @ \$4,500		4.5	—	—	—	—
<u>SUBTOTAL LINE 500</u>		21.3	0.0	3.4	0.0	3.4