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STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: SB 413  
 Title: Establishing the alter-  
 native energy business loan fund.  
 Sponsor: Senator Vic Fischer  
 Requestor: Senate Resource Comm.  
 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
<b>OPERATING</b>						
100 PERSONAL SERVICES		273.6	273.6	273.6	273.6	273.6
200 TRAVEL		15.8	15.8	15.8	15.8	15.8
300 CONTRACTUAL		16.8	16.8	16.8	16.8	16.8
400 SUPPLIES		2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT		26.1				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>334.3</b>	<b>308.2</b>	<b>308.2</b>	<b>308.2</b>	<b>308.2</b>
<b>LOAN <del>XXXXXX</del></b>		<b>20,000.0</b>	<b>20,000.0</b>	<b>16,000.0</b>	<b>16,000.0</b>	<b>16,000.0</b>

<b>REVENUE</b>						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND		20,334.3	20,308.2	16,308.2	16,308.2	16,308.2
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>20,334.3</b>	<b>20,308.2</b>	<b>16,308.2</b>	<b>16,308.2</b>	<b>16,308.2</b>

**POSITIONS:**

FULL-TIME		6.0	6.0	6.0	6.0	6.0
PART-TIME						
TEMPORARY						

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

ANALYSIS: Attach a separate page for analysis

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

Phone: 465-2510  
 Date: 3/8/84

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

Date: 3/12/84

**Distribution (by Agency preparing fiscal note):**

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 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

12/1/83

FISCAL ANALYSIS  
SB 413

Establishment of a broadly-based business loan program of the type suggested in this measure could produce a major loan demand in a short period of time. Given that some time would be required for knowledge of this program to reach the public, demand would take several weeks to develop, but then would rapidly pick up until loan funds were exhausted. For the purposes of this analysis, it is assumed that total new loan demand would range from \$20 million to \$40 million in the first year of operation. Based on the division's prior experience with business lending and the \$1 million maximum loan amount under the legislation, it is estimated that the average loan would be \$100,000. If \$20 million was available for lending, 200 loans would be made by the division with a larger number of applications being submitted. Given the complexity of the typical business loan application, it is anticipated that four experienced loan examiners and two loan closers would be required to process these loan applications and respond to inquiries from the public.

Two loan examiners and one loan closer would be located in the Anchorage regional office. One loan examiner and one loan closer would be located in the Fairbanks regional office. One loan examiner would be located in the Juneau regional office.

100 line detail:

Juneau:	(1) Loan Examiner III, Range 19A	Salary	\$38,124.00
		Benefits	<u>11,290.84</u>
		Total	\$49,414.84
Anchorage:	(1) Loan Examiner III, Range 19A	Salary	\$38,124.00
		Benefits	<u>11,290.84</u>
		Total	\$49,414.84
	(1) Loan Examiner III, Range 19A	Salary	\$38,124.00
		Benefits	<u>11,290.84</u>
		Total	\$49,414.84
	(1) Loan Closer II, Range 12A	Salary	\$24,396.00
		Benefits	<u>8,207.54</u>
		Total	\$32,603.54
Fairbanks:	(1) Loan Examiner III, Range 19A	Salary	\$43,560.00
		Benefits	<u>12,391.54</u>
		Total	\$55,951.54
	(1) Loan Closer II, Range 12A	Salary	\$27,804.00
		Benefits	<u>8,972.97</u>
		Total	\$36,776.97
<u>Line 100 total:</u>			\$273,576.57

Estimates for other lines assume that the new employees required for the program would require support at levels similar to that actually being incurred by the division on other loan programs.

200 Line: Travel to inspect collateral, interview applicants and inform the public on program: \$3,950.00 per loan examiner.  
(4 x \$3,950.00 = \$15,800.00)

300 Line: Printing and advertising expense. Estimate \$16.8

400 Line: Commodities. Estimate: \$2.0

500 Line: Equipment.

4 calculators at \$365 each	\$ 1,460
4 microfiche readers at \$300 each	1,200
2 typewriters at \$1,242 each	2,484
4 support workstations at \$3,890 each	15,560
2 technician workstations at \$2,696 each	5,392
Total	<u>\$26,096</u>

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
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Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: SB 413  
Title: Alternative Energy Business Loan Fund  
Sponsor: Vic Fischer  
Requestor: Vic Fischer  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
100 PERSONAL SERVICES		66.2	69.5	73.0	76.7	80.5
200 TRAVEL		1.0	1.5	3.5	4.8	6.0
300 CONTRACTUAL		27.0	2.5	3.0	3.5	4.0
400 SUPPLIES		3.0	6.0	8.0	10.0	13.0
500 EQUIPMENT		12.8				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		110.0	79.5	87.5	95.0	103.5
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND		110.0	79.5	87.5	95.0	103.5
FEDERAL FUNDS						
OTHER						
TOTAL		110.0	79.5	87.5	95.0	103.5

POSITIONS:

FULL-TIME		2.0	2.0	2.0	2.0	2.0
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 *MH* Phone: 465-2555  
Division: Accounting and Collections Date: 3-2-84  
Approved by Commissioner: Richard A. Lyon *RA* Date: 3/12/84  
Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

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12/1/83

