

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: SB 56
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB56-DOR-TAX-01-21-2021
Title: EXTENDING COVID 19 DISASTER EMERGENCY
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

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

	FY2022	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2022 Request	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None	***		***	***	***	***	***	***
Total	***	0.0	***	***	***	***	***	***

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/21

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division: <u>Tax Division</u>	Date: <u>01/21/2021 03:30 PM</u>
Approved By: <u>Brian Fechter, Administrative Services Director</u>	Date: <u>01/21/21</u>
Agency: <u>Department of Revenue</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. SB 56

Analysis

Background

This bill would allow for the continuation of online charitable gaming for the duration of this Disaster Declaration. Current statute, AS 05.15.640, disallows the use of broadcasting and the internet to conduct a charitable gaming activity.

With the restrictions and lockdowns because of COVID-19, the Administration has taken a position to allow these charitable organizations a medium for them to continue with their fundraising efforts, by being able to conduct the charitable gaming activity online for raffles, derbies and other classics defined in AS 05.15.690.

Revenue Impact

The revenue impacts of this bill cannot be determined due to lack of current gaming information and the newness of this change. The revenue estimate for this legislation represents the anticipated change in net proceeds from this online activity to continue to occur in 2021, or for the duration of this Disaster Declaration.

There is no plausible way to estimate the revenue impacts of this legislation. If the Department knew what the impacts of this change in 2020 had on net proceeds, we could estimate the impact for this year. That data has not yet been reported to the Department yet and is not due for a few months, so it will be difficult to forecast. The amount of net proceeds from all charitable gaming activities to state revenue is \$300,000 - \$400,000 per year. While this fiscal note is indeterminate, if there is a revenue impact to the state, it would be minimal.

Implementation Cost

There is no change to our Tax Revenue Management System (TRMS). The Department of Revenue would need to update regulations to implement this legislation. Regulations would need to be completed by 12/31/2021. The Department of Revenue can implement this legislation with existing resources and does not anticipate any continuing costs or additional staff needs.