

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 81
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB081-DCCED-CBPL-02-06-15
Title: EXEMPTION: LICENSING OF CONTRACTORS
Sponsor: TILTON
Requester: (H) LABOR AND COMMERCE

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

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

| | FY2016 Appropriation Requested | Included in Governor's FY2016 Request | Out-Year Cost Estimates | | | | |
|------------------------|--------------------------------------|--|-------------------------|------------|------------|------------|------------|
| OPERATING EXPENDITURES | FY 2016 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | 2.5 | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 2.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|----------------|------------|------------|------------|------------|------------|------------|------------|
| 1156 Rcpt Svcs | 2.5 | | | | | | |
| Total | 2.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

| | | | | | | | |
|---------------------------|-----|--|--|--|--|--|--|
| Change in Revenues | 2.5 | | | | | | |
|---------------------------|-----|--|--|--|--|--|--|

Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 (separate capital appropriation required)
(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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/16

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Sara Chambers, Director
Division: Corporations, Business, and Professional Licensing
Approved By: Catherine Reardon, Director
Agency: Division of Administrative Services
Phone: (907)465-2538
Date: 02/04/2015 10:11 PM
Date: 02/06/15

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB081

Analysis

HB81 proposes to close a loophole in construction contractor licensing exemptions that allows those owning property, residences, or commercial buildings to act as their own contractor without meeting licensure standards. A property owner who acts as their own contractor may build or remodel without obtaining a contractor license if the structure is not advertised for sale or sold within two years after the construction period has ended.

The bill places the burden on the owner-contractor to prove to the Department of Commerce, Community, and Economic Development that their work under this exemption was not an attempt to circumvent the requirements of AS 08.18.

If the bill passes the following expenses will be incurred:

Services: \$2.5 (legal services and postage to amend regulations)

Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services, fund source 1156 Rcpt Svcs (DGF). Licensing fees for each occupation are set per AS 08.01.065 so the total amount of revenue collected approximately equals the occupation's actual regulatory costs.