

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: HB 190
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB190CS(STA)-DCCED-DW-04-10-17
Title: REGULATION ADOPTION/ORAL COMMENT
Sponsor: TALERICO
Requester: (H) State Affairs

Department: Department of Commerce, Community and
Economic Development
Appropriation: Executive Administration
Allocation: Commissioner's Office
OMB Component Number: 1027

Expenditures/Revenues

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

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personal Services	91.9		91.9	91.9	91.9	91.9	91.9
Travel							
Services	146.7		146.7	146.7	146.7	146.7	146.7
Commodities	12.0		2.0	2.0	2.0	2.0	2.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	250.6	0.0	240.6	240.6	240.6	240.6	240.6

Fund Source (Operating Only)

1005 GF/Prgm (DGF)	14.2		14.2	14.2	14.2	14.2	14.2
1156 Rcpt Svcs (DGF)	222.2		212.2	212.2	212.2	212.2	212.2
1178 temp code (UGF)	14.2		14.2	14.2	14.2	14.2	14.2
Total	250.6	0.0	240.6	240.6	240.6	240.6	240.6

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues

1156 Rcpt Svcs (DGF)	211.5		201.5	201.5	201.5	201.5	201.5
Total	211.5	0.0	201.5	201.5	201.5	201.5	201.5

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) 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? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

Not applicable, initial version. Fiscal note drafted to committee substitute vs. J.

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Division:	Division of Administrative Services, DCCED	Date:	04/10/2017 06:56 PM
Approved By:	Catherine Reardon, Director	Date:	04/10/17
Agency:	Division of Administrative Services, DCCED		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

BILL NO. HB 190

Analysis

HB190 changes the Administrative Procedures Act to require the opportunity for oral testimony on regulations packages. Currently regulations are required to be published in a newspaper of general circulation, trade or industry publications, or in a regularly published agency newsletter. This bill removes the requirement to publish in a newspaper of general circulation. This legislation will affect multiple divisions within the department. The department completes approximately 35 regulations packages per year, most of which are related to professional licensing programs.

The change in publication requirements will result in increased advertising costs for regulations packages. The department does not currently publish or print a regular agency newsletter, so regulations under this legislation will be published in trade or industry publications. Industry publication advertising rates are generally higher than newspapers.

The department will require one full-time Regulations Specialist to schedule and coordinate the hearings, review and categorize transcribed testimony, and coordinate advertising. This position will be housed in the Division of Corporations, Business, and Professional Licensing.

Oral hearings are estimated as one-half day of public testimony per regulations package. For packages relating to professional licensing or other boards, boards are anticipated to participate telephonically instead of travelling. Department conference rooms may be scheduled in regional hubs to minimize the number of teleconference lines per location.

Transcription fees are estimated assuming \$6.00 per page for 20 testifiers per meeting, with an average of three pages of transcription per testifier. Telephone bridge and operator facilitation of public comment are estimated at \$0.25 per minute for 20 testifiers for 4 hours per meeting. Increases in advertising are assumed at \$2,000.00 per regulations package to account for higher advertising rates in industry publications.

Estimated amounts per component are detailed below. Amounts for the Alaska Industrial Development and Export Authority (AIDEA) and the Regulatory Commission of Alaska (RCA) are combined in the temporary fund code on page 1.

- Banking and Securities - 1005 GF/PR - 2 package/year: \$7.1 annually
- Corporations, Business and Professional Licensing - 1156 RSS - 26 packages/year: \$211.5 in the first year, \$201.5 in subsequent years. Costs include funding for one Regulations Specialist as well as their associated startup costs and annual support costs.
- Insurance - 1156 RSS - 3 packages/year: \$10.7 annually
- Alcohol and Marijuana Control Office - 1005 GF/PR - 2 package/year: \$7.1 annually
- Alaska Industrial Development and Export Authority - 1102 AIDEA Receipts - 2 packages/year: \$7.1 annually
- Regulatory Commission of Alaska - 1141 RCA Rcpts - 2 packages/year: \$7.1 annually

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. This results in a change in revenues for some of the costs associated with this fiscal note.