

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: HB 138
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB138CS(L&C)-DOR-TAX-5-8-26
Title: BEH. HEALTH CRISIS SURCHARGE & FUND
Sponsor: JIMMIE
Requester: (H) FIN

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)

	FY2027	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2027 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027						
Personal Services	100.4		100.4	100.4	100.4	100.4	100.4	100.4
Travel								
Services	13.9		13.9	13.9	13.9	13.9	13.9	13.9
Commodities	4.0						2.0	
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	118.3	0.0	114.3	114.3	114.3	114.3	116.3	114.3

Fund Source (Operating Only)

1004 Gen Fund (UGF)	118.3		114.3	114.3	114.3	116.3	114.3
Total	118.3	0.0	114.3	114.3	114.3	116.3	114.3

Positions

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

Change in Revenues

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

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 500.0 *(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If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/26**

Why this fiscal note differs from previous version/comments:

Updated from SLA2025 to SLA2026 fiscal note template. Operating cost estimates have also been updated with further explanation included in the analysis.

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Division: <u>Tax Division</u>	Date: <u>05/08/2026</u>
Approved By: <u>Janelle Earls, Acting Commissioner</u>	Date: <u>05/08/26</u>
Agency: <u>Department of Revenue</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. CSHB 138 (L&C)

Analysis

Bill Summary

This bill would assess a surcharge of 98 cents per month for each wireless phone number with a billing address in the state. If a customer has more than 100 local exchange access lines, they would be charged the fee only on the first 100 lines. The wireless telephone company providing the service would be required to collect and remit the surcharge to the department within 60 days following the month in which the surcharge was collected. The wireless telephone company would be allowed to retain one percent or \$150, whichever is greater, as an administrative fee for collecting and remitting the surcharge.

The bill would also create a behavioral health crisis service fund in the general fund, with separate accounting. The fund could be utilized for: (1) supporting the operation and improvement of the 988 behavioral health crisis hotline; (2) providing services to individuals experiencing crises; (3) recruiting and training behavioral health personnel; (4) enhancing culturally and linguistically competent services; (5) promoting behavioral health education and public awareness; (6) data collection, feedback analysis, and quality improvement; and (7) administration, oversight, and evaluation.

The effective date of the bill is July 1, 2026.

Revenue Impact

The Tax Division is currently analyzing the potential revenue impact of this bill. At this stage, the impact is indeterminate.

Implementation Cost

This bill creates a new surcharge on wireless phone numbers and would require the Tax Division to develop a new surcharge module in its Tax Revenue Management System (TRMS) and Revenue Online system (ROL). TRMS is required to accept and process payments, accept and process returns, run reports, audit returns, send refunds, etc. ROL is required for the taxpayer to file and pay online.

The Department will need to engage FAST Enterprises, our TRMS contractor, to develop a new surcharge module into TRMS and integrate the module with our existing imaging, accounting, and collections modules. We estimate a base cost of \$250.0 for the module. However, given the effective date, this would need to be rolled out on an expedited timeline. There would be an additional \$250.0 charge to expedite the rollout. The \$500.0 in capital costs is an estimate for the needed contract with FAST Enterprises to develop the new tax module on a very short timeline.

The proposed bill creates a new tax to be administered by the Tax Division. This work cannot be absorbed with existing resources. One new Tax Technician 3 position is required to administer this new tax. Services costs are primarily statewide core services paid to other state agencies, and one-time commodity costs are primarily associated with computer and associated information technology (IT) equipment needs. Out-year commodity costs reflect the projected refresh cycle for the new position's IT equipment.