Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HB 255
Fiscal Note Number:
() Publish Date:

Identifier: HB255-DOLWD-MI-01-26-18
Title: PLUMBING/ELECTRIC CERTIFICATE OF FITNESS
Sponsor: TUCK
Requester: (H) Labor & Commerce

Department: Department of Labor and Workforce Development
Appropriation: Labor Standards and Safety
Allocation: Mechanical Inspection
OMB Component Number: 346

Expenditures/Revenues

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

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2019**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
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**

Fund Source (Operating Only)

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

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1250 UGF Rev (UGF)	17.0		17.0	17.0	17.0	17.0	17.0
Total	**17.0**	**0.0**	**17.0**	**17.0**	**17.0**	**17.0**	**17.0**

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) 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If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, intital version.

Prepared By: Deborah Kelly, Director Phone: (907)465-4855
Division: Labor Standards and Safety Date: 01/25/2018
Approved By: Greg Cashen, Acting Commissioner Date: 01/26/18
Agency: Department of Labor and Workforce Development

STATE OF ALASKA **BILL NO.** HB 255
2018 LEGISLATIVE SESSION

Analysis

This legislation gives the department the ability to issue citations and administer civil penalties to individuals and to employers using employees who are operating without a valid certificate of fitness where one is required. The proposed penalty for a first offense is $125 for an individual engaging in work and $250 for an employer. The proposed penalty for a subsequent offense is $250 for an individual engaging in work and $500 for an employer.

Using FY13 to FY17 information on the number of individuals and employers working without appropriate certificates of fitness, the department estimates that this legislation will result in an additional $17,000 in revenue to the general fund each year. Actual revenue will vary based on the amount of penalties issued.

Provided below is the methodology used for estimating the annual revenue increase.

46 individuals engaging in work without a valid certificate - 1st offense x $125 penalty = $5,750
5 individuals engaging in work without a valid certificate - subsequent offense x $250 penalty = $1,250
22 employers using workers without a valid certificate - 1st offense x $250 penalty = $5,500
9 employers using workers without a valid certificate - subsequent offense x $500 penalty = $4,500

$5,750
$1,250
$5,500
+ $4,500

$17,000