

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: SB 129  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB129 -DOA-OPPM-3-28-25  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S) Community & Regional Affairs

Department: Department of Administration  
Appropriation: Shared Services of Alaska  
Allocation: Office of Procurement and Property Management  
OMB Component Number: 3291

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) 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? 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If yes, by what date are the regulations to be adopted, amended or repealed?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/comments:

Not applicable, initial version.

Prepared By:	Tom Mayer, Chief Procurement Officer	Phone:	(907)465-8292
Division:	Office of Procurement and Property Mgmt	Date:	03/28/2025
Approved By:	Michelle Vuille, Division Operations Manager	Date:	03/28/25
Agency:	Department of Administration		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. SB 129

### Analysis

This bill amends portions of the State Procurement Code and the Fiscal Procedures Act and prescribes a 30-day payment provision for state contracts, grants, and reimbursement agreements.

The Office of Procurement and Property Management (OPPM) does not anticipate a fiscal or operational impact to the component in order to implement the requirements of the bill. Accordingly, OPPM submits a zero fiscal note. Implementation and changes to policies expected to be finalized within 180 days after passage.

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: SB 129  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB129-DNR-SSD-3-28-2025  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S)CRA

Department: Department of Natural Resources  
Appropriation: Administration & Support Services  
Allocation: Administrative Services  
OMB Component Number: 424

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) 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? 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/comments:

Initial version

Prepared By: Ann McPherson, Budget Manager  
Division: Administrative Services  
Approved By: Shannon Miller, Administrative Services Director  
Agency: Department of Natural Resources  
Phone: (907)465-8465  
Date: 03/28/2025 01:00 PM  
Date: 03/28/25

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. SB129

### Analysis

This bill amends portions of the State Procurement Code and the Fiscal Procedures Act and prescribes a 30-day payment provision for state contracts, grants, and reimbursement agreements.

The Support Services Division (SSD) does not anticipate a fiscal or operational impact in order to implement this bill. The division estimates policies implementing this bill would be finalized within 180 days after passage.

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: SB 129  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB129-LAW-WASD-03-28-2025  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S) Community & Regional Affairs

Department: Department of Law  
Appropriation: Administration and Support  
Allocation: Administrative Services  
OMB Component Number: 2164

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) 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? 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/comments:

Not applicable, initial version.

Prepared By: Kathryn Fritz, Budget Analyst 3  
Division: Administrative Services Division  
Approved By: Amber LeBlanc, Administrative Services Director  
Agency: Department of Law  
Phone: (907)465-4049  
Date: 03/28/2025  
Date: 03/28/25

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. A

### Analysis

This legislation requires an assessment of a 10.5% annualized interest rate on any State of Alaska contract payment that is later than 30 days past the invoice date. This provision also applies to non-profit, municipal, or Alaska Native organization grant payments that are not issued within 30 days of request. Both situations allow the state to temporarily withhold payment, without penalty, if conditions of the contract or grant are not being met at the time the payment request is made.

The Department of Law does not anticipate a fiscal or operational impact to the component in order to implement the requirements of the bill. Accordingly, Law submits a zero fiscal note. Implementation and changes to policies expected to be finalized within 180 days after passage.

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: SB 129  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB129-DOLWD-CO-03-28-25  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S) CRA

Department: Department of Labor and Workforce Development  
Appropriation: Commissioner and Administrative Services  
Allocation: Commissioner's Office  
OMB Component Number: 340

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) 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? 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/comments:

Not applicable, initial version

Prepared By:	Dan DeBartolo, Director	Phone:	(907)465-5984
Division:	DOLWD Administrative Services	Date:	03/28/2025 12:00 PM
Approved By:	Cathy Muoz, Commissioner	Date:	03/28/25
Agency:	Department of Labor & Workforce Development		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. SB 129

### Analysis

This legislation requires an assessment of a 10.5% annualized interest rate on any State of Alaska contract payment that is later than 30 days past the invoice date. This provision also applies to non-profit, municipal, or Alaska Native organization grant payments that are not issued within 30 days of request. Both situations allow the state to temporarily withhold payment, without penalty, if conditions of the contract or grant are not being met at the time the payment request is made.

The Department of Labor and Workforce Development (DOLWD) assessed current obligations and any late payments for a point in time. Assuming that amount to be a monthly estimate of interest liability, the department could face approximately \$4,314.08 annually in interest payments to contractors.

For grant payments, the department has historically not issued grant amounts in the first 30-60 days of the fiscal year as the previous grant awards and fiscal year reconciliation are closed. If DOLWD's methodology was to be considered a late grant payment under this bill, the potential interest liability in FY2025 would have been \$18,587.20.

It is important to note that no federal award dollars can be used for interest or fee payments, and the department would need to use state fund sources if interest penalties were incurred under this bill.

From a programmatic standpoint, the department would make best effort to change program processes to avoid any interest.



# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: SB 129  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB129-DFG-DAS-03-29-25  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S)Community & Regional Affairs

Department: Department of Fish and Game  
Appropriation: Statewide Support Services  
Allocation: Administrative Services  
OMB Component Number: 479

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) 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? 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; initial version.

Prepared By:	Joseph Felkl, Legislative Liaison	Phone:	(907)465-6137
Division:	Office of the Commissioner	Date:	03/29/2025 09:00 AM
Approved By:	Bonnie Jensen, Administrative Services Director	Date:	03/29/25
Agency:	Department of Fish and Game		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. SB129

### Analysis

This legislation requires an assessment of a 10.5 percent annualized interest rate on any State of Alaska contract payment made later than 30 days past the invoice date. This interest assessment would also apply to non-profit, municipal, and Alaska Native organization grant payments that are not issued within 30 days of a request. If conditions of the contract or grant are not being met at the time the payment request is made, the bill allows the State to temporarily withhold payment without penalty.

The Department of Fish and Game does not issue grants and has sufficient administrative staff to issue contractual payments. Federal award dollars the department receives cannot be used for interest or fee payments, so state fund sources would need to be used if interest penalties were incurred.

Interest payments required by the department under this bill are anticipated to be minimal. Therefore, the department submits a zero fiscal note.