

# Fiscal Note

State of Alaska  
2025 Legislative Session

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

Identifier: SB129-MVA-HLS-4-4-25  
Title: PAYMENT OF CONTRACTS  
Sponsor: KAWASAKI  
Requester: (S) Community & Regional Affairs

Department: Department of Military and Veterans' Affairs  
Appropriation: Military and Veterans' Affairs  
Allocation: Homeland Security and Emergency Management  
OMB Component Number: 2657

## 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	458.4		458.4	458.4	458.4	458.4	458.4
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>458.4</b>	<b>0.0</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>

## Fund Source (Operating Only)

1003 GF/Match (UGF)	114.6		114.6	114.6	114.6	114.6	114.6
1007 I/A Rcpts (Other)	114.6		114.6	114.6	114.6	114.6	114.6
1061 CIP Rcpts (Other)	229.2		229.2	229.2	229.2	229.2	229.2
<b>Total</b>	<b>458.4</b>	<b>0.0</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>	<b>458.4</b>

## Positions

Full-time	4.0		4.0	4.0	4.0	4.0	4.0
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If yes, by what date are the regulations to be adopted, amended or repealed?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: Angela Laflamme  
Division: Office of the Commissioner  
Approved By: Craig Christenson  
Agency: Department of Military and Veterans Affairs  
Phone: (907)428-6003  
Date: 04/04/2025 01:00 PM  
Date: 04/04/25

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. SB129

### Analysis

This legislation implements a 30-day deadline from payment request receipt for contracts, grants, and reimbursement payments to nonprofit organizations, municipalities, and Alaska Native organizations. It establishes an interest rate for failure to meet the deadline. It establishes adjusted deadlines for unsatisfactory performance or noncompliance with grant or reimbursement requirements.

Implementing this legislation will impact disaster grant programs within the Division of Homeland Security and Emergency Management (DHSEM), due to the number of open grants, subrecipients, and projects there are and the level of review it takes to ensure eligibility and appropriate documentation prior to payment. Additionally, the proposed deadline is likely to be severely impacted during disasters since staff are often reassigned to assist in the operations center resulting in delays in routine financial processing.

DHSEM prioritizes payments for individuals and public entities following disasters, however the required review, federal funding guidelines, and multiple disaster events happening simultaneously would make meeting the timelines outlined in this legislation difficult. The DHSEM would require additional staff or risk incurring significant interest costs.

Additional staff required are one Grants Administrator 3 and three Grants Administrator 2 positions.