

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 133
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB133CS(CRA)-DCCED-DAS-05-09-25
Title: PAYMENT OF CONTRACTS
Sponsor: HIMSCHOOT
Requester: (H) State Affairs

Department: Department of Commerce, Community and
Economic Development
Appropriation: Executive Administration
Allocation: Administrative Services
OMB Component Number: 1028

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							
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

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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If yes, by what date are the regulations to be adopted, amended or repealed?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:

Updated to reflect latest committee substitute, which removes requirements related to AS 37.05.316.

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Agency: Department of Commerce, Community, and Economic Development
Phone: (907)465-5533
Date: 05/09/2025
Date: 05/09/25

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. CSHB133(CRA)

Analysis

This bill establishes a 30-calendar-day deadline for the payments of contracts under the State Procurement Code and for the payment of grants, contracts, and reimbursement agreements to nonprofit organizations, municipalities, and Alaska Native Organizations. It establishes procedures for payment and non-payment to the contractor and grantee. Additionally, it sets a requirement to pay interest, equal to the rate set out in AS 45.45.010(a), to the contractor or grantee if the deadline isn't met.

It is always the Department of Commerce, Community, and Economic Development's (DCCED) intention to pay contracts, grants, and reimbursement agreements in a timely manner. In addition to contractual expenditures in the operating budget, the department administers hundreds of grants in any given fiscal year. However, the department cannot predict how many payments for grants and contracts will be made outside of the proposed statutory requirements in this legislation, and therefore cannot accurately impact the amount of interest that would be paid. If any payments were late, general funds would be required to support any accrued interest. Because the number of late payments is not known, the amount of interest and the amount of personal services support required to meet the tracking and payment requirements in this legislation cannot be accurately estimated at this time. As a result, the department does not currently anticipate fiscal impact from this legislation.