

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 253
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB253-DCCED-CBPL-03-21-2014
Title: PRIVATE INVESTIGATORS/AGENCIES
Sponsor: HUGHES, GRUENBERG
Requester: House Labor & Commerce

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

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

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services	11.5		11.5	11.5	11.5	11.5	11.5
Travel							
Services	48.6		4.1	4.1	4.1	4.1	4.1
Commodities	0.1		0.1	0.1	0.1	0.1	0.1
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	60.2	0.0	15.7	15.7	15.7	15.7	15.7

Fund Source (Operating Only)

1156 Rcpt Svcs	60.2		15.7	15.7	15.7	15.7	15.7
Total	60.2	0.0	15.7	15.7	15.7	15.7	15.7

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	60.2		15.7	15.7	15.7	15.7	15.7
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) 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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/14

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division: <u>Corporations, Business and Professional Licensing</u>	Date: 03/24/2014 04:30 PM
Approved By: <u>Jeanne Mungle, Director</u>	Date: 03/21/14
Agency: <u>Administrative Services</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. HB253

Analysis

HB253 establishes required licensure for individuals and agencies engaging in the practice of private investigation. This will add a new professional licensing program within the Department of Commerce, Community and Economic Development for the professional licensing of Private Investigators and Agencies.

The addition of this program requires startup expenses to configure the professional licensing database, develop and implement regulations, purchase supplies, and establish program procedures. This fiscal note requests one temporary (STNP) Occupational Licensing Examiner to assist in developing and maintaining regulations, procedures, administer examinations, and to examine license applications. Licensing fees for each program are set per AS 08.01.065 so the revenue collected equals the occupation's regulatory costs.

Costs for establishing and maintaining the new license program are based on existing programs of similar size and consist of the following:

Personal Services: \$11.5 for non-permanent support during the program's peak seasons for license review and processing.

Services: \$35.2 one-time information technology costs to incorporate the new licensing program into the professional licensing database; \$11.0 for legal support services related to new program implementation in the first year, reduced to \$1.7 in future years; \$0.9 for fingerprinting; \$0.3 for hearing and mediation services beginning in year two; \$0.3 for advertising public notices of regulations; and \$0.9 for on-going printing, postage and mailing costs.

Commodities: \$0.1 business supplies.

Regulations are required so that the department may set fees under AS 08.01.065.

In addition to the above costs the program would incur direct expenses for licensing examiners, investigators, regulations specialist, and supervisory management through positive timekeeping. They would also incur indirect expenses for administrative support, such as accounting, payroll, risk management, ADA chargeback, and building leases. Although increased authorization is not needed for these costs, this program's share of the division's total indirect costs will be considered as part of the program's total costs during the biennial review of licensing fees.