

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: SB 25
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB025-DCCED-CBPL-04-22-19
Title: EXTEND BOARD OF DENTAL EXAMINERS
Sponsor: WILSON
Requester: (S) 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)

	FY2020	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2020 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
OPERATING EXPENDITURES	FY 2020	FY 2020					
Personal Services							
Travel		33.6	33.6	33.6	33.6	33.6	33.6
Services		1.5	1.5	1.5	1.5	1.5	1.5
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	35.1	35.1	35.1	35.1	35.1	35.1

Fund Source (Operating Only)

1156 Rcpt Svcs (DGF)		35.1	35.1	35.1	35.1	35.1	35.1
Total	0.0	35.1	35.1	35.1	35.1	35.1	35.1

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1156 Rcpt Svcs (DGF)		35.1	35.1	35.1	35.1	35.1	35.1
Total	0.0	35.1	35.1	35.1	35.1	35.1	35.1

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2020) 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If yes, by what date are the regulations to be adopted, amended or repealed?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 based on the Governor's 2/13/19 FY2020 budget.

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Division: Corporations, Business and Professional Licensing Date: 04/22/2019 01:15 PM
Approved By: April A. Wilkerson, Administrative Services Director Date: 04/22/19
Agency: Office of Management and Budget

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. SB025

Analysis

SB025 extends the Board of Dental Examiners to June 30, 2027.

This bill extends statutory authorization for the existing Board of Dental Examiners. Adoption of the bill will continue existing activities by the board and administration by the division. Failure to adopt the bill will result in a one-year wind down of the board in FY2020, and the division will assume all licensing responsibility in FY2021.

If the bill passes the following expenses will be incurred:

Travel: \$33.6 (9 board members, 1 examiner to attend four board meetings per year)
Services: \$0.4 (advertising of public notice of board meetings)
\$1.0 (training and conference Fees)
\$0.1 (stipends for board members attending board meeting in community of residence)

Regardless of whether this bill passes, activities and costs of the dental licensing program will continue. Annual expenditures are estimated to be approximately \$400.0, with revenues from license fees covering those expenses. Current schedules of revenues and expenditures for licensing programs are located online at <https://www.commerce.alaska.gov/web/Portals/5/pub/CurrentFinancialReports.pdf>.

If this legislation is not passed and the board sunsets, the department would continue to require access to expertise in the dental profession. Replacing the expertise currently provided by volunteer board members with professional service contracts may increase the annual costs of this program, resulting in increased license fees. No professional licensing board has sunset in recent years, so reasonable estimates of this cost are unknown.

Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services, fund source 1156 Rcpt Svcs (DGF). Licensing fees for each occupation are set per AS 08.01.065 so the total amount of revenue collected approximately equals the occupation's actual regulatory costs.

Board of Dental Examiners
Schedule of Revenues and Expenditures

	FY 12		FY 13		FY 14		FY 15		FY16		FY17		FY18		FY19 1st & 2nd Qtr	
	\$		\$		\$		\$		\$		\$		\$		\$	
Licensing Revenue	\$	56,206	\$	389,729	\$	75,095	\$	479,846	\$	103,201	\$	686,060	\$	179,011	\$	59,445
Allowable Third Party Reimbursement		-		-		-		-		-		-	\$	-	\$	127
Total Revenue		56,206		389,729		75,095		479,846		103,201		686,060		179,011		59,572
Direct Expenditures																
Personal Services		118,947		176,988		154,086		116,909		132,528		167,345		164,638		97,753
Travel		22,787		16,471		12,796		14,040		8,138		5,286		9,189		4,508
Contractual		17,235		128,666		105,918		55,437		17,491		61,412		50,681		41,457
Supplies		1,483		1,491		525		1,102		427		846		493		123
Equipment		-		-		-		-		-		-		-		-
Total Direct Expenditures		160,452		323,616		273,325		187,488		158,584		234,889		225,001		143,841
Indirect Expenditures*		122,053		150,253		108,227		90,087		102,251		186,587		188,796		94,398
Total Expenses		282,505		473,869		381,552		277,575		260,835		421,476		413,797		238,239
Annual Surplus (Deficit)		(226,299)		(84,140)		(306,457)		202,271		(157,634)		264,584		(234,786)		(178,667)
Beginning Cumulative Surplus (Deficit)		490,477		264,178		180,038		(126,419)		75,852		(81,782)		182,802		(51,984)
Ending Cumulative Surplus (Deficit)	\$	264,178	\$	180,038	\$	(126,419)	\$	75,852	\$	(81,782)	\$	182,802	\$	(51,984)	\$	(230,651)

** For the first three quarters, indirect costs are based on the prior fiscal year's total indirect amount on a percent of year completed basis.
The 4th quarter board reports reflect the current year's actual indirect expenses allocated to the boards.
Biennium March 1, 2017- February 28, 2019