

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version: SB 208  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB208-DCCED-CBPL-03-11-22  
Title: CONTRACTORS' INSURANCE  
Sponsor: SHOWER  
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)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
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 (FY2022) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2023) 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/23

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Commerce, Community, and Economic Development  
Phone: (907)465-2144  
Date: 03/11/2022  
Date: 03/11/22

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2022 LEGISLATIVE SESSION

BILL NO. SB 208

### Analysis

SB 208 increases the property damage insurance requirements for construction contractors from a minimum of \$20,000 to \$100,000 for property damage; increases the amount under which contractors are exempt from this requirement from \$2,500 to \$5,000; requires contractors to provide written notice to clients accurately describing the levels and limits of their insurance coverage; and allows clients to bring civil action against a contractor for grossly negligent work if the client has made reasonable attempts to communicate with the contractor and the contract has been unresponsive or failed to act.

The Division of Corporations, Business and Professional Licensing does not anticipate fiscal impact from this legislation.

*Professional licensing programs within the Division of Corporations, Business and Professional Licensing are primarily 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.*