

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 254
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB254CS(JUD)AM-FCS-AS-04-26-2024
Title: BLOCK PORNOGRAPHY TO MINORS; SOCIAL MEDIA
Sponsor: VANCE
Requester: House Rules Committee

Department: Department of Family and Community Services
Appropriation: Departmental Support Services
Allocation: Administrative Services
OMB Component Number: 3305

Expenditures/Revenues

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

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services	199.1		203.1	207.1	211.3	215.5	219.8
Travel							
Services	55.5		79.5	111.8	152.4	201.5	251.6
Commodities	510.0		20.0	20.0	20.0	20.0	20.0
Capital Outlay							
Grants & Benefits	3,340.0		5,010.0	6,680.0	8,350.0	10,020.0	10,020.0
Miscellaneous							
Total Operating	4,104.6	0.0	5,312.6	7,018.9	8,733.7	10,457.0	10,511.4

Fund Source (Operating Only)

1004 Gen Fund (UGF)	4,104.6		5,312.6	7,018.9	8,733.7	10,457.0	10,511.4
Total	4,104.6	0.0	5,312.6	7,018.9	8,733.7	10,457.0	10,511.4

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) 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? **YES**
If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/25**

Why this fiscal note differs from previous version/comments:

This is the initial version of the department's fiscal note. The House of Representative adopted a floor amendment to HB254 to establish a parental control software reimbursement program in the Department of Family and Community Services.

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Division:	Office of the Commissioner	Date:	04/26/2024
Approved By:	Marian Sweet, Assistant Commissioner	Date:	04/26/24
Agency:	Family and Community Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. CSHB254

Analysis

HB254 includes the creation of a new parental control software reimbursement program in the Department of Family and Community Services. Under the new program the department would reimburse parents for the purchase of "parental control software" used on a child's internet connected device. The reimbursement is limited to \$100 per child, per year. The Department of Family and Community Services does not administer any similar reimbursement program, nor does the department have any expertise in parental control software.

The department estimates the program that two Eligibility Technician 2 positions (Rage 14) would be required to receive and process reimbursement applications (Personal Services FY2025 \$199.1). In addition, the new positions require one time office equipment funding (Commodities \$10.0 total) and on-going position core services chargebacks (Services FY2025 \$40.0). The position chargebacks are estimated to increase at 2% per year.

The department expects the reimbursement program to require the procurement of project management software (Commodities FY2025 \$500.0) to track reimbursement requests and store submitted documentation. The expected on-going software license fees are expected to be \$20.0 per year (FY2026 - FY2030 Commodities).

The under the regulations required for implementation of this program, the department is likely to utilize eligibility for the annual Permanent Fund Dividend (PFD) to determine if a child is eligible for the reimbursement program. In 2022, approximately 167,000 children under the age of 18 years old received a PFD. The department estimates a gradual increase in parental control software reimbursement requests as the public becomes more aware of the program, from 20% in FY2025 (\$3,340.0) to 60% of those eligible in FY2029 (\$10,020.0).

The bill's language includes an opportunity for the department to increase the reimbursement amount to reflect changes in the Consumer Price Index. The department does not expect to seek changes in the reimbursement amount at this time.

This fiscal note does not fully include the potential costs to administer the individual payments to Alaskans required under the reimbursement program. The department currently utilizes the Department of Administration, Division of Finance to process vendor payments. The department estimates a cost of 46 cents per transaction costs for these reimbursements. In FY2025 the estimated transaction cost is \$15.5 (Services), up to \$46.6 (Services) in FY2030.

At the time of publishing of this fiscal note, it is unclear whether the department would be able to process reimbursements through the existing payment program or if another payment mechanism would be necessary. The department will update this fiscal note as new information is available.