

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 30
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB030-DOA-OPPM-2-14-25
Title: OFFICE OF ENTREPRENEURSHIP
Sponsor: HOLLAND
Requester: (H) State Affairs

Department: Department of Administration
Appropriation: Shared Services of Alaska
Allocation: Office of Procurement and Property Management
OMB Component Number: 3291

Expenditures/Revenues

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

	FY2026	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2026 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
OPERATING EXPENDITURES	FY 2026	FY 2026					
Personal Services							
Travel							
Services	500.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	500.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	500.0						
Total	500.0	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? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/26**

Why this fiscal note differs from previous version/comments:

Initial version, not applicable.

Prepared By:	Tom Mayer, Chief Procurement Officer	Phone:	(907)465-8292
Division:	Office of Procurement and Property Management	Date:	02/14/2025 12:00 AM
Approved By:	Eric DeMoulin, Administrative Services Director	Date:	02/14/25
Agency:	Department of Administration		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB 30

Analysis

Background:

This bill modifies the biennial procurement reporting requirement in AS 36.30.540 to an annual report and adds additional information to the report requirements concerning the geographic and demographic details of vendors awarded contracts.

The bill provides authority for the Department of Administration, Division of Shared Services, Office of Procurement and Property Management (OPPM) to include recommendations in the annual report on how the state can improve access to procurements and increase participation in procurement by new businesses in the state who are determined to be underrepresented geographically or demographically.

The determination whether a new business is underrepresented should be supported by a statewide disparity study which would examine whether a difference exists between the actual amount or percentage of statewide contracts awarded to specific geographic and demographic areas and the expected number of awards based on the availability of businesses to perform the contracts. A study of this nature is outside the expertise of OPPM staff and must be procured from a consultant which specializes in such analysis.

Based on recent costs incurred by other State agencies and similarly sized government entities who have recently completed a disparity study focused on contracts awarded only by their agency, this fiscal note estimates the approximate cost to procure a consultant capable of performing a statewide disparity study to be conservatively \$500,000. This estimate is based on the following assumptions:

- Alaska's Department of Transportation and Public Facilities (DOT&PF) commissioned a disparity study in 2019, which cost approximately \$500,950. DOT&PF is currently conducting a new solicitation for these services and expect award by the end of February 2025.
- The State of Ohio funded a disparity study in 2024 for the cost of \$500,000.
- The City of Cincinnati, Ohio (a municipal government with an approximately 2M population metropolitan area), funded a disparity study in 2021 which cost approximately \$500,000.

Implementation Costs:

Personal Services:

No anticipated costs.

Travel:

No anticipated costs.

Contractual Services:

\$500,000 to procure a consultant to issue and provide recommendations from a statewide disparity study. The consultant would be retained following a request for proposal process. The results of this study would inform future recommendations related to increasing access to contracts to new businesses in disadvantaged or underrepresented geographic or demographic areas identified by the study.

Commodities:

No anticipated costs.