

FISCAL NOTE

Bill Version: CSHB 361 (FIN)

(H) Publish Date: 3/24/00

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) 3/22/2000 Dept. Affected Governor's Office
 Title An Act relating to charges for state services BRU Multiple
 Component Multiple
 Sponsor House Finance Committee
 Requester House Finance Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Personal Services | 68.8 | 70.9 | 73.0 | 75.2 | 77.5 | 79.8 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 68.8 | 70.9 | 73.0 | 75.2 | 77.5 | 79.8 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 68.8 | 70.9 | 73.0 | 75.2 | 77.5 | 79.8 |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type) | | | | | | |
| TOTAL | 68.8 | 70.9 | 73.0 | 75.2 | 77.5 | 79.8 |

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| Full-time | | | | | | |
| Part-time | 2 | 2 | 2 | 2 | 2 | 2 |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

CSHB 361(FIN) would require the Office of Management and Budget (OMB) to review complaints from any business or individual regarding permit-related charges that these businesses or individuals believe exceed the actual and reasonable direct cost of providing regulatory services. These complaints would come to OMB only if they could not be resolved at the department level. OMB would be required to determine within 30 days whether to uphold the complaint or affirm the relevant permit charges.

In addition, the bill provides that any business or individual can petition OMB to establish a single fee for all regulatory services that are required for the particular type of project being permitted.

(continued - see attached page)

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 Division Office of Management and Budget Date/Time 3/22/00 4:43 PM
 Approved by Commissioner: Annalee McConnell, Director Date 3-22-00
 Office of the Governor

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CSHB 361(FIN) Fiscal Note Analysis – Continued

These provisions would require OMB to establish the capability to rapidly audit and verify agency documentation for permit-related charges, and to establish multi-agency permit fees upon public petition. OMB does not currently perform these functions or have the staff resources to do this work. It is difficult to predict the volume of permit fee complaints and petitions for establishment of multi-agency permit fee regulations that would result from the bill.

This committee substitute makes changes which should reduce the workload and additional costs resulting from the bill. We estimate that these functions would require the equivalent of two half-time positions. One half-time position would be required by the Office of Management and Budget to respond to complaints regarding permit-related charges.

An additional half-time position would be required by the Division of Governmental Coordination(DGC) to respond to petitions to establish single multi-agency fees. DGC currently is primarily funded with federal money and required general fund match that cannot be used for these purposes.

Salary and benefits for these two half-time positions would total \$68.8 in the first year, with merit increases in subsequent years. Depending on the volume of work generated by this legislation, additional position(s) may be required in the future.

Under this fiscal note, \$34.4 would be provided to OMB (Component 2144) and \$34.4 would be provided to DGC (Component 18).

OMB
3/22/2000