

FISCAL NOTE

No. 20
 Bill Version: SB24
 (S) Publish Date: 2/23/99

STATE OF ALASKA
 1999 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected Commerce & Econ Dev.
 Title An Act relating to the adoption ... of regulations; BRU Occupational Licensing
 and amending Rule 202, AK Rules of Appellate Procedure Component Occupational Licensing
 Sponsor Senators Donley, Taylor
 Requester Senate Judiciary Component Serial No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	16.6	16.6	16.6	16.6	16.6	16.6
Travel						
Contractual	64.7	64.7	64.7	64.7	64.7	64.7
Supplies	0.2	0.2	0.2	0.2	0.2	0.2
Equipment	6.3					
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	87.8	81.5	81.5	81.5	81.5	81.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	87.8	81.5	81.5	81.5	81.5	81.5
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	87.8	81.5	81.5	81.5	81.5	81.5

Estimate of any current year (FY99) cost: 0.0

POSITIONS

POSITIONS	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 24 requires a state agency to prepare a cost-benefit analysis of the costs to the public to comply with proposed regulation changes. The Division of Occupational Licensing, including the licensing boards and commissions within the division, proposes an average of 30 regulations projects each year. The projects vary widely in complexity and costs. In most cases, analyzing the costs and benefits to the public will include estimating the cost or value of factors such as public protection and professional practice standards.

(Continued on attached pages)

Prepared by Jennifer Strickler, Administrative Manager Phone 465-2144
 Division Occupational Licensing Date/Time 1/25/99 2:33 PM
 Approved by Commissioner Deborah B. Sedwick Date 1/28/99
 Agency Commerce & Economic Development

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ANALYSIS: (Continued)

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS FOR SB 24

The Division of Occupational Licensing does not have an economist or other staff with the expertise to provide such a specialized analysis. To comply with SB 24, the division must contract with an economist. The division estimates that its 30 annual projects can be divided into three levels of complexity requiring three different levels of economic analysis, ranging from five to 20 hours each.

SB 24 also requires supplemental notice and public comment proceedings when an agency makes "significant changes" to a regulations proposal after the original public notice. The division estimates that 70 percent of its regulation projects will require supplemental notice and the majority of the renoticed projects will require an additional public hearing. Also, the licensing boards and commissions adopting the regulation changes will be required to hold additional public meetings by teleconference to conduct the hearings and take action on the proposals. The costs associated with these new requirements include newspaper advertising costs for the supplemental notices, postage and printing costs for distributing the supplemental notices, the costs of the teleconference meetings for the additional public hearings and board meetings, and a half-time clerk position to assume some of the routine duties of the regulations specialists so that the regulations specialist may handle the increased public notices, public hearings, and board meetings.

The estimated costs of complying with SB 24 are explained below:

PERSONAL SERVICES

\$ 16.6

1 – Administrative Clerk I, Range 7, permanent part-time, Juneau

The new position will assume some of the routine duties of the existing regulations specialist in the division to allow the regulations specialists to spend additional time on public notices, regulation hearings, board meetings, and related tasks that are required as a result of SB 24.

CONTRACTUAL

\$ 64.7

Costs for contractual services cover \$35.9 in costs to contract with an economist to prepare a cost-benefit analysis for each regulation project. The estimated contractual cost is based on a fee of \$97/hour and is broken down as follows:

- 10 projects each requiring 5 hours of analysis - \$ 4.9
- 10 projects each requiring 12 hours of analysis - \$11.6
- 10 projects each requiring 20 hours of analysis - \$19.4

Also covered are the costs of:

- publishing supplemental notices of regulations and board meetings - \$16.8
- duplicating supplemental notices - \$1.8
- postage for supplemental notices - \$4.7
- 15 additional teleconference board meetings - \$5.5

SUPPLIES

\$ 0.2

This is the estimated cost of envelopes, labels and miscellaneous supplies for mailing additional notices.

EQUIPMENT

\$ 6.3

This is a one-time cost for equipment and office set-up costs for the new half-time position.

TOTAL: \$ 87.8

FUND SOURCE: The division anticipates funding to be provided by general fund/program receipts. The costs will be passed on to licensees in the form of increased licensing fees as required in AS 08.01.065.